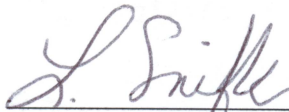


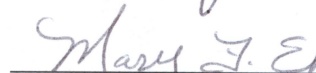
MEMORY ON TRIAL:  
THE MANHUNT FOR ALASKA'S MOST ELUSIVE MASS MURDERER


By

Brittany A. Retherford


RECOMMENDED:


  
Lynne M. Snifka, M.A.

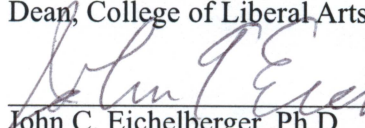
  
Mary F. Ehrlander, Ph.D.

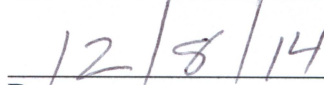
  
Terrence M. Cole, Ph.D.  
Advisory Committee Chair

APPROVED:

  
Mary F. Ehrlander, Ph.D.  
Director, Northern Studies Program

  
Todd L. Sherman, M.F.A.  
Dean, College of Liberal Arts

  
John C. Eichelberger, Ph.D.  
Dean of the Graduate School

  
Date



MEMORY ON TRIAL:  
THE MANHUNT FOR ALASKA'S MOST ELUSIVE MASS MURDERER

A  
THESIS

Presented to the Faculty  
of the University of Alaska Fairbanks

in Partial Fulfillment of the Requirements  
For the Degree of

MASTER OF THE ARTS

By

Brittany A. Retherford, B.A.

Fairbanks, Alaska

December 2014

© Copyright by Brittany A. Retherford

## Abstract

The fallibility and malleability of human memory played a confounding and troublesome role in the investigation of the 1982 murder of eight people on a fishing boat, the *Investor*, in Craig, Alaska, and subsequent trials of law enforcements' only suspect, John Kenneth Peel. Human memory — including its inherent subjectivity and susceptibility to coercion and change — ultimately resulted in an unsatisfactory resolution for victims' families and friends, law enforcement, witnesses, and others associated with the events, investigation and legal proceedings. This thesis utilizes trial records, police investigation files, newspaper stories, and personal interviews to provide a summary view of the events surrounding the murders, including what is known about the murders, as well as, the subsequent investigation that led to the arrest, two civil grand juries, two jury trials, and the eventual acquittal of John Kenneth Peel. Limitations of memory are analyzed in the context of the overarching historical narrative of a booming commercial fishing industry and a rural justice system, including a focus on eyewitness testimony and collective memory. Together these frayed cords of memory helped ensure that despite the millions of dollars and thousands of hours that have been devoted to it, the 1982 *Investor* tragedy remains the largest unsolved mass homicide in Alaska history, a cold case that has not been forgotten.





## TABLE OF CONTENTS

	Page
Signature Page .....	i
Title Page .....	iii
Abstract .....	v
Table of Contents .....	vii
List of Figures .....	xi
List of Appendices .....	xiii
Acknowledgements .....	xv
Introduction: The Murders .....	1
Part I: Murder, Methods, and Memories	
Chapter 1: The Literature Review and Methods .....	14
The Nature of Memory .....	25
Methods .....	31
Chapter 2: A Seiner to Remember .....	35
Chapter 3: The Manhunt Begins .....	43
Chapter 4: The Scene of the Crime .....	49
1970s: A Decade of Change .....	50
Craig in Focus .....	52
Mayhem on the Last Frontier .....	57
Chapter 5: A Most Unexpected Season .....	64
Part II: The Search for a Killer	
Chapter 6: Mystery of the Skiff Driver .....	71

The Sightings .....	73
The Hill Bar “Show-Up” .....	79
Chapter 7: Dead-End Leads .....	82
Crewman-As-Murderer Theory .....	82
Empty Memories.....	84
The Hoax.....	88
Chapter 8: Hoping for a Miracle.....	90
New Eyewitness Emerges.....	94
Stogsdill’s “Plan of Attack” .....	96
Chapter 9: March Miracles .....	101
The “Confession” .....	101
A Star Witness is Born .....	107
Chapter 10: The Arrest.....	111
The Motive.....	115
Profile of a Mass Shooter.....	117
 Part III: Memory on Trial 	
Chapter 11: The Grand Jury Indictment(s) .....	121
Larry Demmert Jr. ....	128
Dawn Holmstrom.....	131
Brian Polinkus.....	134
Allegations of Misconduct.....	135
Chapter 12: Cross-Examining Memory .....	142
The Expert Witness .....	143
“He’s the one!” .....	145
Reaching a Verdict .....	156

Conclusion .....	158
Bibliography .....	161
Appendix A: Timeline of <i>Investor</i> Murders.....	165
Appendix B: Timeline of Key Events .....	171



## List of Figures

	Page
Figure 1: A view of the <i>Investor</i> fully engulfed in flames while anchored near Fish Egg Island just north of Craig, AK. ....	2
Figure 2: Volunteers douse the fire aboard the <i>Investor</i> with seawater. ....	3
Figure 3: Irene and Mark Coulthurst, both age twenty-eight when they were killed, had been sweethearts at Bellingham High School in Bellingham, Wash. ....	7
Figure 4: John Coulthurst, age four, and Kimberly Coulthurst, age five, take a break from playing and pose for a photo in a tree. ....	8
Figure 5: Mike Stewart, age nineteen, was Mark Coulthurst’s first cousin. He lived in Bellingham, Wash. ....	9
Figure 6: Chris Heyman, age eighteen, was the son of a business colleague of Mark Coulthurst. He lived in San Rafael, Calif. ....	10
Figure 7: Dean Moon, age nineteen, was a resident of Blaine, Wash. In 1982, he had already fished with Mark Coulthurst for a few seasons. ....	11
Figure 8: Jerome Keown, age nineteen, was a resident of Blaine Wash. He joined the crew of the <i>Investor</i> in August 1982. ....	12
Figure 9: The author and friend, former <i>Juneau Empire</i> photographer Brian Wallace, fishing for halibut near Juneau, AK. ....	15
Figure 10: A view of the fishermen’s memorial at the Blaine Harbor. The plaque lists the names of all Blaine residents lost at sea. ....	21
Figure 11: A view of the <i>Investor</i> underway. ....	38
Figure 12: A view of the <i>Investor</i> ’s bow after the fire on board was put out by volunteer firefighters. ....	47

Figure 13: A view of hull of the <i>Investor</i> after volunteer firefighters douse the flames. ....	48
Figure 14: <i>Investor</i> skipper Mark Coulthurst working on board an unidentified fishing vessel. .	66
Figure 15: A view finger docks at the cold storage facility in Craig, AK. ....	74
Figure 16: An artist’s composite drawing of the man seen driving the <i>Investor</i> ’s skiff based on a physical description provided by a witness. ....	75
Figure 18: A young John Peel posing with a salmon. ....	95
Figure 19: John Peel sits at the table in the Bellingham Police Department. ....	105
Figure 20: This bronze statue, “The Vigil,” was created by Blaine sculptor Bob McDermott as a tribute to fishermen. ....	160

## List of Appendices

	Page
Appendix A: Timeline of the <i>Investor</i> murders. ....	165
Appendix B: Timeline of Key Events. ....	171





## Acknowledgements

I would never have been able to finish this research and thesis without the guidance of my committee members, help from friends, participation of numerous sources, and support from my family. My advisor, Dr. Terrence Cole, has been a constant source of inspiration and knowledge and I am forever grateful for his deep curiosity and eagerness to discuss any topic, from writing techniques to Alaska history to the state of the Catholic Church. Dr. Mary Ehrlander has been a steady guide ever since I entered the Northern Studies Program and I value her dedication to excellence, patience, and keen insight. I am thankful for Lynne Snifka's willingness to join my committee at a belated hour and contribute the thoughtful perspective of a journalist.

Several friends have supported me throughout this research process, providing shelter and company for both my dog and me during my travels around the state. I especially want to thank Alli Rosen, Emily Hudyma, Taylor Murray, Tom Rabaut, Kate Incarnato, Carrie Aronson, Sally Kieper, Lisa Slayton, and Diana Sparacino. Thank you to Manuel Brito, my skipper on the *F/V Heavy Metal*, for taking on a greenhorn for the 2011 salmon season in Bristol Bay. Mary Margaret Alvarado, my dear friend from first grade at Steele Elementary, thank you for ensuring I am always moving forward. I am grateful for journalist friends, especially Becky Bach, who read early drafts, and Korry Keeker, who shares a deep appreciation for a good story. Without Brian Wallace, I may never have caught a salmon or heard of the *Investor* murders.

The staff at the Alaska State Archives in Juneau is top notch. Thank you to Brad Matsen for reminding me that a willingness to take risks is a most worthwhile pursuit. Also to John Straley, whose humor and insight on the justice system have proved invaluable at key times. I am also grateful for legal support from Jeff Feldman. Thank you to John Peel and his family for allowing me to ask some tough questions. I am also thankful for so many knowledgeable sources from fishing towns all over Alaska and Washington, many of whom also are natural storytellers and have provided me with a lifetime's supply of research ideas.

This research would not have been possible without the willing support and participation

of numerous individuals, many of whom allowed me into their homes and shared their most precious memories. Their willingness to talk about such a painful event has broadened my understanding of the human experience. I am especially thankful to Jay Moon, Ava Goodman, Laurie Hart, Sally Coulthurst, Lisa Barone, Brian Keown, and Anne Keown. The loss they have each experienced is immeasurable.

I want to thank my mom, Susan Retherford, for encouraging me to finish what I start. Thank you to my sisters, Megan Murillo and Brooke Retherford, who lead by example. And of course, this research would not have been the same without Sadie, my sweet dog companion, who put up with many hours on the Alaska State Ferry, in the Toyota Tacoma, and in strange places with new faces.

And finally, to my dad, Jerry Retherford, thank you for setting the course.





## **Introduction: The Murders**

The first time Alaska State Trooper Bob Anderson tried to climb on board the burning boat, flames fueled by melting fiberglass flared up uncontrollably, forcing him to retreat. Now, four hours later, he was able to scramble onto the deck. He found an ashen mess, soaked in seawater dumped by buckets from a Temco helicopter during a frenzy to douse the fire. The vessel, which had burned almost to the water line, was barely recognizable anymore as a boat except for the hull. The bodies, though, they were impossible to miss. Badly charred, but unmistakably human, they lay amid the rubble of what had once been a galley.

As the young trooper picked his way through the wreckage, the horror multiplied. Two of the bodies were lying in a heap, a man crumpled over a woman, as if he had been protecting her from something just before they both died. One body was just inside the galley door, possibly trying to escape some unknown terror. And a fourth body — one that he could tell was a young child because of its small size, lay near where the stateroom would have been. In all, he found four people that night.

Throughout the evening, Trooper Anderson had been in touch with his supervisor, Sgt. John Glass, stationed 60 miles to the southeast in the large bustling fishing community of Ketchikan. He expected reinforcements would arrive sometime the following day. With help from a local resident and a federal wildlife aide, Anderson carefully wrapped the remains of the victims in orange plastic and escorted them by skiff to a refrigerated storage facility near the dock where they would spend the night before being put on a plane bound for Anchorage for autopsy. Curious and horrified onlookers watched as the body bags, which were so flat it appeared there was nothing in them, were carefully transferred from one place to the next.

“I hope that’s not what I think it is,” one fisherman uttered to his girlfriend.

The reality was even worse would than anyone could have imagined. Initial x-rays of the bodies would reveal several pieces of metal fragments, remnants of .22 caliber bullets. The information confirmed what the young trooper already suspected: the victims had been shot. He would also soon learn that four others were still missing.

Even more troubling, a killer responsible for the deadliest mass murder in Alaska history, was on the loose.

The date was Tuesday, September 7, 1982, the day after Labor Day. The town was Craig, Alaska (pop. 500), home to a hard-working, hard-living, and hard-drinking breed of people who made their living plying the cold waters of the Alexander Archipelago, a 500-mile band of islands that comprise Alaska's panhandle in the southeast, fishing salmon and logging timber in the thick temperate rainforest of the 17-million acre Tongass National Forest. Craig was remote, even by Alaska standards. It sits on the western flank of the 2,230 square-mile Prince of Wales Island on a thrust of land that juts into Bucareli Bay, offering calm anchorage for numerous



**Figure 1: A view of the *Investor* fully engulfed in flames while anchored near Fish Egg Island just north of Craig, AK. Photo courtesy of *Alaska v. Peel* case record archives.**





**Figure 2: Volunteers douse the fire aboard the *Investor* with seawater. Photo courtesy of Alaska State Troopers.**

fishing boats that arrive each summer to fish the area’s tremendous runs of salmon. The western side of Prince of Wales Island is protected from the often turbulent “Outside” waters of the vast and icy North Pacific Ocean by dozens of small tree-covered islands with rocky beaches and waterfalls — all excellent sites for salmon and herring fishing and hunting for whitetail deer.

When Anderson first arrived on Prince of Wales Island in 1980 at the age of 27, he was just a young trooper transferred there by Alaska State Troopers to complete an obligatory remote tour of duty expected of all state law enforcement officers. One of his first observations was the peculiar lack of a VHF radio in his patrol car. He called his supervisor to alert him to the problem.



His supervisor simply laughed. “Who are you going to call?”<sup>1</sup>

Anderson was responsible for policing 16 communities on an island larger than the state of Delaware. Alaska encompassed almost three-quarters of a million miles of sprawling and rugged territory. Outside a few metropolitan centers such as Anchorage, Fairbanks, Juneau, and Ketchikan, there were also hundreds of small isolated villages and towns like Craig that were without local law enforcement and so fell under the Alaska State Trooper’s jurisdiction.<sup>2</sup> Most of Anderson’s time was spent responding to drunken fights and domestic disputes. Untimely deaths were usually caused by alcohol-related suicides or accidental drownings in the dangerous icy waters that surrounded the island.<sup>3</sup>

For the next two years, Anderson became accustomed to handling these calls alone. “It was a one-man army kind of thing,” Anderson said of his experience before the mass murder.<sup>4</sup>

Anderson’s lonely task of policing drunken lumberjacks and rowdy sailors was not made any easier by the money flowing out of the rainforest. The massive trees that grew here were the thickest, tallest and most accessible of any in the 500-mile archipelago. Logging had been one of Alaska’s basic industries since the arrival of pulp mills at Ketchikan and Sitka in the 1950s, but with rising demands for pulp and wood in the United States and Japan in the 1970s (that came as a result of tightened environmental regulations diminishing harvest quotas everywhere else in the country), a cutting spree ensued in the old growth forest of the Tongass National Forest. Sealaska, the regional Native Corporation set up by the 1971 Alaska Native Claims Settlement Act, recklessly plunged into timber harvesting, launching what investigative journalist Kathie Durbin described as a full-scale timber war. By 1980, industrial-scale logging in the Tongass was proceeding, in Durbin’s words, “virtually without restriction.”<sup>5</sup>

---

<sup>1</sup> Robert Anderson, interview by author, Klawock, AK, June 13, 2009.

<sup>2</sup> The post on Prince of Wales Island was established in 1972.

<sup>3</sup> Eric Thomas, “Residents of Craig can’t forget Investor murder case,” *Bellingham Herald*, January 5, 1986.

<sup>4</sup> Robert Anderson.

<sup>5</sup> Kathie Durbin, *Tongass: Pulp Politics and the Fight for the Alaska Rain Forest* (Corvallis: Oregon State Univer-

To compound matters, after a wearying, decades-long decline, fishing in Southeast Alaska was booming. Harvest numbers were increasing and fishermen were once again returning to ports with brooms displayed from their masts – a signal of having caught 100,000 pounds of salmon. Some even displayed two brooms. During hectic summer months it was expected that as many as 200 fishing boats could be in Craig on a given day, tripling the size of the cozy town of 500 to more than 1,500.<sup>6</sup>

Money was also flowing into Craig from another source, far to the north: the oil fields of Prudhoe Bay. The construction of an 800-mile oil pipeline from Alaska's northern coast on the Arctic Ocean to the Gulf of Alaska in the 1970s forever altered the state's human landscape: Alaskans were younger and wealthier than ever before in its history. Powered by oil, Alaska became the richest state in the United States—so rich that the state government actually began to give money away, sending every resident in 1982 who had lived in the state for at least six months a check for \$1,000. This began the Alaska Permanent Fund Dividend program. Craig, like the rest of Alaska, was soon awash in badly needed infrastructure projects, including schools, roads, airports and housing. Over the next decade, the permanent population of Craig would triple.<sup>7</sup> That summer of 1982, the summer of the murders, Prince of Wales Island's first gravel road was paved, a seven-mile stretch that connected Craig to the Tlingit village of Klawock.

Though the town had incorporated in 1922, Craig's police department was not established until the spring of 1982 (prior to that time, the mayor also served as the chief of police). With the new development, the town acquired a chief and two police officers, but two officers working a

---

sity Press, 2005), 1. The history of the logging industry in Southeast Alaska goes back to the early part of the 20<sup>th</sup> century, but Durbin discusses two primary events that gave industry a jumpstart. The first was the passage of the 1947 Tongass Timber Act, which authorized the U.S. Forest Service to offer 50-year contracts for timber in the Tongass National Forest to promote economic development in Southeast Alaska and prompted the opening of the Ketchikan Pulp Mill in 1954. The second was the 1971 Alaska Native Claims Settlement Act, which established Alaska Native corporations that were mandated to be economically viable. During its early years, the corporation established in Southeast Alaska, Sealaska, invested primarily in timber.

<sup>6</sup> Craig Overall Economic Development Program (OEDP), *Brief History of the Area's Economy*, 1991, accessed June 14, 2014, <http://www.craigak.com/documents/OEDP.pdf>, 4

<sup>7</sup> Ibid.

shift were hardly enough cops to stop the bar fights that often spilled into the street. “There’d be eight people fighting and two of us to do something about it,” recalled Pat Burt, one of Craig’s first police officers.<sup>8</sup> Trooper Anderson was also given an assistant, a village public safety officer (VPSO), 20 year-old Jerry Mackie, to assist him with the increasing workload.

In 1982, the town’s jail at City Hall was a flimsy plywood contraption with a reinforced wooden door that mostly served as a drunk tank for the logging and fishing crews and “that city fathers said was probably unconstitutional.”<sup>9</sup> It was nicknamed “The Cave.”<sup>10</sup> Lee Axmaker, a former mayor of Craig said that, “If anyone would have turned us in for inhumane treatment, we’d have been in big trouble.”<sup>11</sup> One fisherman who spent a night there sleeping off a hangover swore he had been jailed in a broom closet.<sup>12</sup> One time, a man started six fights the same night in the same bar, but a police officer recalled they did not have any place to put him: “we couldn’t put him in jail because someone else had kicked the door off.”<sup>13</sup>

Despite the changes and rapidly expanding population, Craig was still mostly just a humble fishing village. And though it was always more rambunctious than the fictional Mayberry, Craig residents still celebrated town pride with family events like a Fourth of July parade, softball games, and an annual salmon fishing derby. In any case, neither residents nor law enforcement had any preparation for what Anderson would find aboard a fire-torched seiner on that terrible September evening.

When Anderson learned the name of the boat that, in the words of one journalist, was “a floating crematorium,” he made a few phone calls around town to figure out who owned it. The *Investor*, he learned, belonged to Mark Coulthurst of Blaine, Wash., and he was believed to be

---

<sup>8</sup> Eric Thomas, “Craig shows signs of less violence,” *Bellingham Herald*, January 5, 1986.

<sup>9</sup> Ibid.

<sup>10</sup> Ray Shapley, telephone interview by author, August 2010.

<sup>11</sup> Thomas, “Craig shows signs of less violence.”

<sup>12</sup> Craig resident and fisherman, interview with author, Craig, AK, August 2010.

<sup>13</sup> Thomas, “Craig shows signs of less violence.”



**Figure 3: Irene and Mark Coulthurst, both age 28 when they were killed, had been sweet-hearts at Bellingham High School in Bellingham, Wash. Photo courtesy of Alaska State Troopers.**

fishing with his wife, two children, and a four-man crew. Anderson learned that the *Investor* had motored into Craig two days before, on Sunday, September 5. The skipper, his family, and crew had all been seen both on the docks and around town, but it was now Tuesday, September 7 and almost 48 hours since anyone had seen the *Investor* crew alive.

During the two years Anderson had policed the island, he had become familiar with the transient nature of fishermen, especially during the summer. He mostly kept tabs on the ones who caused trouble, but would have been at least cursorily familiar with the fleet of gillnetters, purse seiners, and trollers that came in and out of Craig. The *Investor* was part of an elite style of boat





**Figure 4: John Coulthurst, age four, and Kimberly Coulthurst, age five, take a break from playing and pose for a photo in a tree. Photo courtesy of Alaska State Troopers.**

known as “purse seiners.” The capital investment required to be a part of this fishery meant that fishermen had to earn top dollar to simply break even.<sup>14</sup> However, it was also “the most lucrative and highly capitalized in southeastern Alaska,” wrote historian David Arnold in a 2009 book chronicalling the evolution of the fishing industry in Southeast Alaska.<sup>15</sup>

The red and grey *Investor* was 58-feet of state-of-the-art fiberglass fishing power. It had been built by Delta Marine, a Seattle company specializing in what was referred to in the industry as “limit seiners” — the largest allowed to fish in Alaskan waters, and capable

---

<sup>14</sup> David Arnold, *The Fisherman's Frontier: People and Salmon in Southeast Alaska* (Seattle: University of Washington Press, 2009), 166.

<sup>15</sup> *Ibid.*, 166.



**Figure 5: Mike Stewart, age 19, was Mark Coulthurst's first cousin. He lived in Bellingham, Wash. Photo courtesy of Alaska State Troopers.**

of handling 40 to 45-knot winds that were not uncommon in the Far North. Seine boats were favored by the Washington fishermen who came north each summer to haul in pink salmon for the numerous canneries that dotted the coastline, yet were also versatile enough to fish for other species like king salmon, shrimp, herring, and Dungeness crab. These crafts were designed to harvest and carry tons of fish and were typically operated by five to seven man crews.

Even among these top-of-the-line vessels, the *Investor* stood out. A writer later described it as “a Rolls Royce among battered Buicks,” fully outfitted and worth an estimated \$1.5 million.<sup>16</sup> The spectacular seiner and its skipper had been featured three months earlier in a large

---

<sup>16</sup> Peter Carbonara, “State of Alaska v. John Peel: A burnt-out case,” in *Trial by Jury*, ed. Steven Brill. (New York:





**Figure 6: Chris Heyman, age 18, was the son of a business colleague of Mark Coulthurst. He lived in San Rafael, Calif. Photo courtesy of Alaska State Troopers.**

spread in a national fishing magazine, *Pacific Fisherman*, the Bible of the west coast fishing industry. The article detailed Coulthurst's investment strategy — even interviewing his banker — and applauded him for his keen entrepreneurial sense that was balanced with a willingness to take risks. “The idea behind the name *Investor* is that we expect the boat to earn money,” Coulthurst explained, “money that we’ll invest in other areas.”<sup>17</sup> Skippers like Coulthurst were the fishermen of the future — and boats like the *Investor* would be instrumental in their success.

---

Simon and Schuster, 1989), 269.

<sup>17</sup> *Pacific Fisherman*. June 1982.



**Figure 7: Dean Moon, age 19, was a resident of Blaine, Wash. In 1982, he had already fished with Mark Coulthurst for a few seasons. Photo courtesy of *Alaska v. Peel* case court archives.**

While waiting for the flames to subside, Anderson placed calls around town, trying to locate Coulthurst and learn the names of his crewmembers. Initial conversations reported possibly several erroneous names, including a fisherman who had left Craig the week before. The mistakes were understandable; in an industry in constant flux, crews were often changing. The names of those believed to be on board were not confirmed until the following day. These included skipper Mark Coulthurst, his wife Irene Coulthurst, both 28, and their two children, Kimberly, 5, and John, 4. Also on board were four teenage deckhands: Mike Stewart, 19, Chris Heyman, 18, Dean Moon, 19, and Jerome Keown, 19.

Anderson learned Irene Coulthurst and the two children had been scheduled to depart for





**Figure 8: Jerome Keown, age 19, was a resident of Blaine Wash. He joined the crew of the *Investor* in August 1982. Photo courtesy of Alaska State Troopers.**

Washington the day before, on Monday, September 6. He hoped they were far from the burning vessel, safe in another state, but he had his doubts, remembering the small body he had seen on the boat. The delay between the time the *Investor* crew was last seen alive and the time that their bodies were discovered would end up being just a small portion of the many factors that would make this case among the most difficult, perplexing, and troubling that any of the investigators would ever tackle.

To Anderson, the Coulthursts and their teenage crewmen were “Outsiders,” a term Alaskans use to refer to anyone who was not a permanent resident of Alaska. But the town

that week was full of hundreds of Outsiders, transient workers passing through. This flood of strangers coming and going would make the search for the truth astoundingly difficult. “It was a Washington case,” Anderson said, “that happened in Alaska.” Reflecting on the case 30 years later, long after he had quit the State Troopers, and sitting in the quiet fishing lodge he had subsequently opened in Klawock, Anderson admitted that the *Investor* mass murder was the kind of case that would have made a career. But for Anderson it would change his life in another direction.

“I had absolutely zero ambition to go anywhere other than here,” he explained, referring to the island that had become his home. He would decide that police work was not for him. The sight of a young girl’s burned body, the particular smell of charred flesh, these things would haunt him the rest of his life. When he went home that night at one or two a.m., he crawled into bed, emotionally and physically exhausted. The warm body of his wife lay next to him.

“I had to make love to my wife,” he said, clearly hesitant to admit to such an urge at the end of the most horrific night of his career.

“I had to grasp a little life or something.”<sup>18</sup>

Meanwhile, 600 miles to the south in Bellingham and Blaine, Washington, families of the victims were beginning to receive phone calls from Alaska State Troopers informing them of the terrifying news that the *Investor* was burning and that bodies had been found on board. They would have gotten little sleep that night, especially after troopers told them to begin gathering loved ones’ dental records. They might need them for identification.

---

<sup>18</sup> Robert Anderson.

## PART I: MURDER, METHODS, AND MEMORIES

### Chapter 1: The Literature Review and Methods

I first learned of the *Investor* murders when I was 28 years old and working as a natural resources reporter for the *Juneau Empire*, Alaska's capital city newspaper. The story first interested me because — like many people who first arrive in the rugged coastal towns of the north — I was fascinated with the fishing industry and the high stakes of one of the country's most dangerous jobs, the hard-toiling lifestyle on the water, and the myriad of colorful characters that were commercial fishers. My first summer out of college, I too had pursued a risky, physically demanding summer job that had lured me with the prospect of adventure, an unpredictable life on the road, and a closeness to the natural world. For two summer seasons, I worked as a wildland firefighter for the U.S. Forest Service in northern California, chasing lightning strikes, out-of-control campfires, and counting overtime hours. As I learned more about the *Investor* victims, I envisioned them as my crewmembers on the fire line: tough, young fun-loving, thrill-seekers from mostly middle class families, who could not stand the idea of a desk job. I could not help but feel a connection to the *Investor* victims, wanting to know more about who they were and what could have happened to them that rainy night.

I had moved to Juneau on my own quest for adventure and my job as a journalist introduced me to the rich and sometimes troubled history of the 49th state's battles over its most profitable natural resources — furs, gold, fish, timber, and oil. The men (and increasingly more women) who work the lucrative jobs of these extractive industries often toil on the edge of existence. They work long hours separated from loved ones in the most inhospitable environmental conditions that exist: winds that blow 40 and 50 miles per hour on the high seas, temperatures that drop to 60 degrees below zero along the Arctic coastline. Many narratives — both true and fictional — have been spun about these wild days. Spike Walker's tales about commercial crab fishing in the Bering Sea and Jack London's novels about the Yukon gold rush days exemplify the fascination with the everyday lives of those who have hauled crab pots and dug for gold on



**Figure 9: The author and friend, former *Juneau Empire* photographer Brian Wallace, fishing for halibut near Juneau, AK. Photo by Brooke Retherford.**

the last frontier. These stories are ripe with untimely deaths, murders, and other tales of unlucky adventurers.

One of the many young men lured north to follow an escapist's dream of experiencing life on the edge, was Chris McCandless, who met his end during high summer in a bus, overcome by an inability to adapt to the rugged wilderness. Jon Krakauer's book about McCandless, *Into the Wild*, is a tale about what happens when someone seeks the edge, only to plummet irretrievably over it. However, the extraordinary success of the book and controversy sparked by McCandless's death (which has oddly positioned McCandless as one of the most well-known Alaskans even though he was in the state for only a few months) demonstrated how McCandless's life resonated with so many Americans. As a teenager reading the book, I was enamored

with McCandless's unfettered lifestyle and his poetic journey of self-discovery. As a parent, my mother was horrified by McCandless's selfishness and irresponsibility. The only thing we could agree on was that McCandless's demise was sad, though not entirely surprising.

The story of the *Investor* murders shares much in common with these popular Alaskan stories. The *Investor*'s skipper had lofty ambitions and a matching state-of-the-art vessel that positioned him as a contender for success in a rapidly expanding fishing industry. He was a dreamer who saw Alaska as a land of opportunity and adventure, and was faced with coping with strenuous work, the unpredictable gamble of terrible weather, and a reliance on an unreliable resource. Many fishermen and others who have worked the land and waterways of Alaska have perished, but given the extremes under which they toil, their deaths may be sad, but they are not usually surprising.

What makes the *Investor* story especially tragic, in a class of its own, is that the victims included a young pregnant woman and two small children. A few years after the murders, a reporter visited a local bar in Craig and spoke with the patrons about what mark the murders had left on a town that had had its fair share of violence and mischief. There was something different about what happened on the *Investor*, the reporter learned. "If a guy came in here [to the bar] and blew one of these guys away, I probably wouldn't think anything of it," a local lumberjack told the reporter. But there was a line. "You don't kill little kids, for Christsakes," he said.<sup>19</sup>

I decided to explore the *Investor* murder mystery for my Northern Studies Masters thesis, specifically looking at the topic of memory and the role it played in shaping the investigation of what remains to this day one of Alaska's most notorious and mysterious crimes, a crime which has never been solved. In the immediate aftermath of the murders, the Alaska State Troopers' investigation stagnated as a result of early police mistakes and dead-end leads. Local geography and personalities mystified homicide detectives unfamiliar with the fishing community. Further complicating matters was a missing murder weapon, two unaccounted for crewmembers whose bodies may have been almost entirely consumed by the hot fire, and physical evidence that had

---

<sup>19</sup> Thomas, "Residents of Craig can't forget Investor murder case."



been burned, doused in water, or dumped in the ocean. All the Alaska State Troopers had left to work with in their search for a killer was a motley assortment of memories.

These memories led Alaska State Trooper chief investigator Sgt. Jim Stogsdill to focus the investigation on Bellingham resident and fisherman, John Kenneth Peel, a former deckhand for Coulthurst, framing the incident to the media as a tragic case of workplace rage that resulted from “an explosion of emotion.” Troopers alleged that 22-year old Peel had been angry with his former boss and had gone on a rampage, killing everyone on board before motoring the vessel into the harbor, setting it on fire to destroy evidence, and escaping by skiff. Peel was arrested almost exactly two years after the murders. For the next three-and-a-half years, Peel’s legal team wrangled with state prosecutors in an emotionally-charged and electrifying courtroom battle to defend their client.

The weight of the state’s case against Peel rested almost entirely on the memories of several individuals who had witnessed a person who looked very much like Peel driving a 20-foot skiff away from the burning vessel. Another key witness was Peel’s boss that season, Larry Demmert, who claimed he saw his deckhand on the dock with a rifle the night of the murders and also the next morning in the *Investor*’s wheelhouse as it drifted off into the foggy harbor.

The memories of these individuals and others came under close scrutiny during the investigation and trials. Witnesses were probed repeatedly with questions, and they oftentimes provided answers that differed in small, but sometimes critical ways. Many people’s memories actually changed over time, with some people claiming to remember more after time passed while others claimed to recall less. Several began to doubt their own memories. One fisherman came forward several months after the crime to reveal to investigators that the night of the murders he thought he had dreamed about hearing gunshots while he was asleep in his bunk on a nearby vessel — something he had not recalled initially — but he remained uncertain as to whether the memory was real or not. The skipper who said he saw his employee in the *Investor*’s wheelhouse later claimed that perhaps this was a dream.

As the case dragged on, some refused in their sworn testimony to say they remembered anything concretely anymore, claiming that too much time had passed, and they were willing to verify only what they had earlier told police about what they had witnessed. Still others said that the police had harassed them and manipulated their memories in a single-minded effort to bolster the case against Peel. The varying recollections on the witness stand call to mind the Japanese filmmaker Akira Kurosawa's 1950 film, *Rashōmon*, in which four witnesses to a murder recount their widely differing memories of events. The film led to the popularization of the term, "Rashomon effect," which is sometimes used by psychologists to describe how observers of the same incident can give different accounts because of the inherent subjectivity of perceptions. In the case of the *Investor* murders, witnesses' perceptions were framed by not only personal biases, but also by imagined recollections caused by a sincere and urgent desire to help and by fading impressions over the passage of time. Furthermore, police interrogation techniques, including alleged suggestive interviewing procedures that planted ideas in the minds of witnesses, came under close scrutiny.

Despite an unprecedented effort by the State of Alaska, Peel was acquitted by a jury in 1988 following two grand juries and two lengthy trials that cost the state an estimated \$3 million — or, as Sgt. Stogsdill once told a newspaper reporter, "It would take an accountant a year to figure out the time and money spent on this case."<sup>20</sup> Peel later filed a federal lawsuit against the State of Alaska and the City of Bellingham, Wash., alleging, among other things, prosecutorial misconduct. He won a settlement of \$1.2 million in 1997, though the State of Alaska never admitted to wrongdoing. The agreement itself has been sealed from the public.

Despite Peel's acquittal and victory in the wrongful prosecution civil suit, the state's lawyers and law enforcement still believed Peel was guilty. The District Attorney remained convinced that they had "got their man," even though the verdict had not gone their way. There has been no serious attempt since Peel's acquittal to reopen the investigation and pursue alternative leads. The case is considered to be "closed by arrest and trial," according to Sgt. Stogsdill.

---

<sup>20</sup> Trask Tapperson, "Two years of frustration end with arrest," *The Bellingham Herald*, September 11, 1984.

It is a cold case that has been frozen for the past 25 years. The lack of resolution in the case has haunted the memories of the victims' friends and families, as they have been left wondering what terrible events befell their loved ones.

Early on in my research of the *Investor* case, I met a woman who had grown up in a Southeastern Alaska fishing community and had married a man who had testified in the *Alaska vs. Peel* trials. She was hesitant to talk about the impact the case had had on her family's life, sounding tired rather than unwilling. I asked her why people (such as herself), may be reserved about discussing a tragedy that had occurred three decades before. She thought about it for a few moments before responding: "Because this is us, this is who we are." The *Investor* tragedy served as a reminder of a side of society that many wished to forget.

In the immediate aftermath of the *Investor* murders, however, interest in the outcome of the investigation was widespread. The knowledge that a "real psycho" was on the loose terrified residents of small fishing villages up and down the Alaska and Washington coasts, especially those in Craig who caught themselves looking over their shoulders for the next several years. "What's he going to do next time, move in on a carload of basketball players?" asked a troubled Craig mayor, Jim Sprague in 1986.<sup>21</sup> That same year, Ruth Ann Johns, a Craig restaurant owner who cooked the last meal for the Coulthurst family, told a reporter that ever since the murders four years before, she had become more cautious. "I'll be sitting upstairs after closing and hear a noise like the doors are open, but they're not," she said, "I think, 'Jeez, I never used to think that way before.'"<sup>22</sup> Residents were hungry for information, and stories about progress in the case were typically plastered on the front pages of local newspapers, providing plenty for barstool detectives to discuss.

The loss was most personally felt in the northern Washington fishing towns of Bellingham and Blaine, the hometowns of seven of the eight victims, where desperate friends and

---

<sup>21</sup> Thomas, "Craig residents can't forget deaths."

<sup>22</sup> Ibid.



neighbors established reward funds for information to aid the police and held numerous memorials for victims attended by hundreds of well-wishers. The fishermen who ply the waters of the Pacific Northwest formed a tight-knit network of men and women who relied on one another, sometimes even for survival. The loss of eight of their own was an unprecedented horror.

“Obviously the town is still upset,” Tom Burton, Blaine’s mayor, told a *People* magazine reporter in 1983. “Everybody thinks about what happened all the time. The reward posters are still up everywhere. The boats are coming back from Alaska, and I’ve never seen more hugs and kisses on the dock than this year. People are just so glad to see their men coming back alive. Hell, everybody has more locks on their boats now than fish.”<sup>23</sup>

Though the pangs of terror have faded for many in the fishing community over the decades, the young victims’ lives, cut short so long ago, are still remembered each year, along with the many other local fishermen who have been lost at sea at Blaine’s “Memorial and Blessing of the Commercial Fleet,” held each year on the first Sunday in May.

The journalists who reported on the tragedy would play an important role in shaping a collective understanding of the murder investigation and the story of what happened that September night, at times providing much sought-after answers. Other times, these news stories raised more perplexing questions, as information provided by lawyers and police sometimes inadvertently spread unsubstantiated allegations, rumors and misinformation.

Apart from these media stories, the majority of which were published or aired between September 1982 and April 1988, little has been written about the *Investor* murders, the subsequent investigation by Alaska State Troopers, and the *Alaska vs. Peel* court proceedings (including two grand juries, two trials, and one settlement case). As the years have gone by, Alaska and Washington news outlets and fishing journals have occasionally published stories around the anniversary of the deaths of the *Investor* crew. The stories have typically lamented the loss of the crew and the tragic lack of resolution for families and communities who still wonder

---

<sup>23</sup> Cheryl McCall, “A Bloody, Baffling Mass Murder Shakes the Peaceful Spirit of a Small Town in Washington,” *People*, September 12, 1983, Vol. 20, No. 11, accessed July 4, 2014, <http://www.people.com/people/archive/article/0,,20085889,00.html>.



**Figure 10: A view of the fishermen’s memorial at the Drayton Harbor in Blaine. The plaque lists the names of all local residents lost at sea. Photo by Brittany Retherford.**

what happened that awful night.

In 1988, journalist Peter Carbonara covered the Juneau trial of *Alaska vs. Peel* for *American Lawyer* magazine. During his coverage of the story, Carbonara interviewed several sources associated with both sides of the case. In April 1988, he attended a post-acquittal barbecue hosted by Peel’s defense team at Sandy Beach, a popular picnic spot in Juneau. The jurors were invited and most attended, showing their obvious sympathy for Peel. One juror gave Peel a husky puppy born the day of the verdict that she had named “Justice.” Carbonara called the entire case a “fiasco,” and summarized why he thought prosecutors had lost the most expensive criminal case in Alaska history.

Carbonara said “the prosecution overplayed a weak hand” in *Alaska vs. Peel*.<sup>24</sup> He blamed the state’s failure to secure a conviction on a rush to judgment, beginning with “a botched police investigation.” He believed Assistant District Attorney Mary Anne Henry had been under enormous pressure to solve a high profile case based on shaky circumstantial evidence with weak eyewitnesses. He also said that Henry had been distracted by defense attorney Phil Weidner’s charged courtroom tactics, noting that Weidner was as tenacious and single-minded as “a dog chewing on a bone.”<sup>25</sup> In 1989, Carbonara’s coverage of Peel’s acquittal was included as a chapter entitled, “A Burnt-Out Case,” in *Trial by Jury*, editor Steven Brill’s retrospective collection of *American Lawyer* articles that included “the tactics, deals, and decisions that determined the outcome of 17 of the decade’s biggest legal cases.”<sup>26</sup>

The only detailed treatment of the case published so far is a peculiar account self-published in 2010 by Michael McGuire, a poet and drug addiction counselor. The book, *Angels to Ashes: Largest Unsolved Mass Murder in Alaska History* is part-memoir, part-investigative reporting. McGuire’s book offers a unique perspective of Larry Demmert, the key witness for the prosecution, who would testify that he had seen Peel carrying a rifle on the dock and also standing in the wheelhouse of the *Investor*.

McGuire had befriended Demmert at a drug and alcohol rehabilitation center in Seaside, Oregon, in the fall of 1985, after Peel’s arrest, where he was undergoing treatment for addiction to prescription drugs.<sup>27</sup> McGuire claimed in his book that while at the rehabilitation facility, Demmert asked McGuire to accompany him to Ketchikan while he testified against Peel, the accused who had been not only a childhood friend of Demmert’s, but also a former deckhand on his boat. McGuire wrote that Demmert confided that his anxiety over the impending trial and the repeated questioning by police and prosecutors exacerbated his drug addiction, charging that they

---

<sup>24</sup> Carbonara, “A Burnt-Out Case,” 267.

<sup>25</sup> Ibid.

<sup>26</sup> Ibid.

<sup>27</sup> McGuire does not explain his presence at Seaside, whether he was a staff member, a patient himself, or had another role.

“had in fact taken him to a motel for a period of about two weeks, during which time they had supplied him with Valium and questioned him as to what he saw, who he saw, and repeated this over and over.”<sup>28</sup> McGuire described how Demmert felt alone and afraid throughout the process, frustrated over his treatment by police and the lack of support from friends.

In his book, McGuire offered a muddled and unsubstantiated theory about the *Investor* murders, alleging that Peel had guided the killers to the boat to avenge the theft of 12 pounds of cocaine by an *Investor* crewmember. “Once on board the mayhem began,” McGuire wrote.<sup>29</sup> McGuire investigated the case for several years with the intention of writing a book advancing his drug theory of the murders. He said that during his investigation, he met with a man named “Phil” — last name unknown to McGuire but who was, apparently, one of the investigators on the defense team.<sup>30</sup> He claimed that “Phil” gave him a manila envelope that contained a few handwritten notes with scribbles about 12 pounds of cocaine and Peel’s involvement, along with a verbal directive to McGuire to “Get out now.”<sup>31</sup> McGuire’s wild leaps between facts and bizarre side stories about trips to Hong Kong with his wife and his personal connection to an Anchorage drug dealer make his theory about the *Investor* murders quite difficult to follow. However he does provide some interesting — though questionable — insight into Demmert’s experience as a key witness.

John Straley, a Sitka-based criminal investigator, former Alaska Poet Laureate, and mystery novelist, was part of the Peel defense team for the second trial of *Alaska vs. Peel*. In 2001, Straley published *Cold Water Burning*, a novel about a private eye who helped acquit a man accused of murdering four people on a boat, *Mygirl*, just outside a small southeast Alaska fishing town, before setting the vessel on fire. In the novel, Straley’s protagonist, the unlikely private eye Cecil Younger, is tasked with searching for the man he helped to acquit and who has

---

<sup>28</sup> Michael McGuire, *Angels to Ashes*, (AuthorHouse, 2010), 4.

<sup>29</sup> *Ibid.*, 144.

<sup>30</sup> Phillip Weidner did employ a private investigator named Phillip Shapland.

<sup>31</sup> *Ibid.*, 127.

gone missing.

There are several similarities between the murder case in Straley's work of fiction and the *Investor* case. Straley's novel especially excels at providing a vivid sense of place. The Alaska he describes is rugged, beautiful, and astoundingly dangerous, and it never seems to stop raining. "Rain started pelting down like scrap hardware," was one way he described this distinctive Southeast Alaska weather pattern.<sup>32</sup> This bears a resemblance to the geographic backdrop against which the *Investor* murders unfolded — and where stormy weather enveloped the Craig harbor, shielding the *Investor* from view for an entire day. The weather hid the fact that its crew had been murdered. In an author's note, however, Straley warned his readers, "I have drawn a few details from actual incidents in which boats have burned and lives have been lost, but the characters, motivations and events portrayed here came directly from my imagination." Further, he said, "anyone looking for clues to Alaska's unsolved mysteries will be disappointed."<sup>33</sup>

Nevertheless some lines in *Cold Water Burning* could easily describe particular details of the *Investor* tragedy. "More than any other case in modern times," Straley wrote in his novel, "the *Mygirl* killings were all about missing evidence, and the most important thing missing from the *Mygirl* that night was a crewman."<sup>34</sup> Both the real and the fictional murders resulted in lengthy \$3 million trials characterized by deep, combat-like bitterness between lawyers and where "all the subtle conflicts boil down to 'us' against 'them.'"<sup>35</sup> Straley's novel also features a mysterious skiff driver presumed to be the killer, seen escaping the burning boat after murdering the crew. Eyewitnesses in the novel identified the accused as looking "most like" the skiff driver, but otherwise, their memories were hazy, "all the investigators were left with was grief and a collection of wispy memories."<sup>36</sup>

One theme Straley explored in *Cold Water Burning* is the tenuous nature of memory and

---

<sup>32</sup> John Straley, *Cold Water Burning* (New York: Bantam Books, 2001), 38.

<sup>33</sup> Ibid., Author's Note.

<sup>34</sup> Ibid., 25.

<sup>35</sup> Ibid., 2.

<sup>36</sup> Ibid., 5.



the determined need for people to find truths, no matter if they are real or imagined. In a passage in which Straley's protagonist Cecil Younger ponders his work as a private eye, Younger calls himself "a good PI for the real world. I can wear blinders and I'm as steady as a tractor." He is often asked to find the truth in cases, "But the fact that I don't save the day by finding the truth is not all my fault. People don't really want to know the truth, no matter what they say," Younger laments. He says that most of his clients, whether innocent or guilty, all want the same thing: "they want whatever bit of their innocence is left intact. They want me to re-create it for them."<sup>37</sup> Younger must sit comfortably in the murky ambiguity that comes with investigating cases that reveal people's darkest nature — and deal with people who are in constant search of personal narratives that reflect the kinds of memories that reflect how they wish to have lived their lives even if the reality was they had been jerks, jokers, or crooks.

### ***The Nature of Memory***

Tragic events can be important markers — or even building blocks — of life narratives. They serve as pivot points that our minds may refer to while pondering later events and assist us in interpreting our daily lives. Tragic events can also shift the perspective or the dynamic of an entire community or nation. The September 11, 2001 terrorism attacks on New York City have irrevocably shifted the American narrative of itself. As time passes and people have become more distant from the tragedy, their memories and its significance to global society have evolved. The collective memory of 9/11 and other traumatic events are therefore not only the recollections of the event itself, but also what has happened since that event. Because individual and collective memories' tendencies to transform as time passes, memories are inherently susceptible to influence, both in the immediacy just after the event — and in the subsequent years and decades — as people struggle to catalogue and remember their own life stories.

Since our memories also help us to configure our place in the world, connecting us to our past and other people, the loss of memory can be destabilizing. As poet Pablo Neruda once

---

<sup>37</sup> Ibid., 9.

wrote, “should the pillars of my memory / topple out of my reach, / I must remake the air, / the steam and the soil and the leaves, / my skin and the bricks in the wall, / the thorn in my flesh / and the haste of my flight.”<sup>38</sup> In this way, our memories are as vital to us as the air we breathe, the ground we walk upon. In an effort to create an illusion of certainty, however, people can often cling to false or imagined remembrances as truth.

Memory research has been conducted in nearly every discipline from the arts to humanities to neuroscience to sociology. Filmmakers, artists, and novelists have often described aspects of memory that intrigue and perplex us. In the popular 2004 film, *Eternal Sunshine of the Spotless Mind*, a doctor erases people’s memories as a form of psychological healing from trauma. In the 1990 science fiction action film, *Total Recall*, the protagonist played by Arnold Schwarzenegger is enmeshed in a complex futuristic tale of implanted memories. In *The Notebook*, a book by Nicholas Sparks and later a 2004 blockbuster Hollywood film, a man tells his wife who suffers from Alzheimer’s the story of how they first met and fell in love — a story that she finds sweet and romantic, but because of her condition, does not realize the story is about her. These works illuminate the complicated relationship humans have with their own memories — and they hint at the reasons why memory research itself is so controversial — and how visions and revisions of the past are subject to change.

Psychologists and memory researchers typically describe two types of long-term memory: procedural and declarative. The former is an unconscious type of memory about processes such as having learned how to perform skills such as riding a bike or tying a shoe. It gives rise to the common American idiomatic expression “just like riding a bicycle, you never forget how to do it,” which refers to our ability to remember skills we have developed even when much time has passed. The latter type of memory, declarative memory, is comprised of information such as facts and events. These pieces of information are catalogued in our brains and can be recalled at later dates. How these memories are imprinted in our brains — and are later recalled, are by far the most common recurring questions in any discussion or research about memory.

---

<sup>38</sup> Neruda, Pablo, *The Poetry of Pablo Neruda* (New York: Farrar, Straus and Giroux, 2005), 733.

Since the days of ancient Greece, philosophers and scholars have wondered about memory and its malleability: “If a man has once come to know a certain thing, and continues to preserve the memory of it,” Socrates once pondered, “is it possible that, at the moment when he remembers it, he doesn’t know this thing that he is remembering?”<sup>39</sup> Socrates questioned how we preserve our memories and how they can change over time.

But despite age old questions about memory’s reliability, the prevailing idea had long been that memory was an accurate rendering of the past. Sigmund Freud’s view of memory, which was essentially that true memories could be recovered through psychotherapy, was the generally accepted belief of memory during the twentieth century, explained memory researcher Elizabeth Loftus. “Freud believed that long-term memories lie deep in the unconscious mind, too deep to be disturbed by ongoing events and experiences.”<sup>40</sup> This belief gave rise to the “recovered memory movement” which became popularized during the 1980s and 1990s when a rash of child abuse cases swept the nation. Many of these cases involved the uncovering of supposedly repressed childhood memories of abuse and gave rise to unprecedented controversies that played out in both psychological and legal arenas.

The idea that memory is not only fallible, but changeable, has only recently become an accepted perspective in psychology. The process of remembering differs from the process a camera or video recorder uses to record an event, explains a more contemporary researcher of memory, John Brigham: “Rather, what is perceived and stored in memory is often incomplete or distorted as a result of the individual’s state of mind or the nature of the event observed.”<sup>41</sup> Memories, even shared ones, can therefore evolve and change over time because no two people ever follow identical life paths.

Psychologist Scott Fraser has researched how the brain can even sometimes remember

---

<sup>39</sup> Paul Ricoeur, *Memory, history, forgetting*, translated by Kathleen Blamey and David Pellauer, (Chicago: The University of Chicago Press, 2006), Kindle edition DOI 150.

<sup>40</sup> Elizabeth Loftus and Katherine Ketcham, *Witness for the Defense: The Accused, the Eyewitness, and the Expert Who Puts Memory on Trial* (St. Martin’s Press: New York, 1991). 16.

<sup>41</sup> John C. Brigham et al. as cited in U.S. Supreme Court, Brief Amicus for the American Psychological Association in support of the Petitioner in *Barion Perry v. State of New Hampshire*, 10-8974 US (2012), 7.



events that never occurred. “The brain abhors a vacuum,” Fraser explained. “The brain fills in information that was not there, not originally stored, from inference, from speculation, from sources of information that came to you, as the observer, after the observation.”<sup>42</sup> Philosopher Maurice Halbwachs would have agreed with this assertion, explaining how people can have incomplete or inaccurate memories, but these memories may feel complete because of an “intermingling” of individual memory with group memory. The individual memory “relies upon, relocates itself within, momentarily merges with, the collective memory,” Halbwachs explained, “gradually assimilating any acquired deposits.”<sup>43</sup>

The *Investor* case was not only difficult to investigate 30 years ago, but remains a perplexing mystery today in large part because the memories of eyewitnesses, family members, and others closely connected with the case, have continued to change over time. Because the case dragged on for many years without resolution, troopers, lawyers, and journalists interviewed the same individuals repeatedly, often asking the same or similar questions over the span of months and years. The documentation of these interviews provides a unique look at how memories shifted to fill in holes in case where investigators could only have a pipe dream of certainty.

Because human memory has been so misunderstood, American courts have historically struggled with how to handle evidence that relies on the accuracy of something that can be so inherently fallible, but can also appear to the uninitiated to be indisputable. In a courtroom, “accurate eyewitness identifications can provide powerful evidence of guilt or innocence,” according to the American Psychological Association.<sup>44</sup> Often a credible eyewitness can make the difference between guilty and not guilty. But despite the natural human tendency to trust eyewitness memory as a superior form of evidence, numerous studies have found that eyewitness testimony has been the leading cause of wrongful convictions in the United States, primarily

---

<sup>42</sup> Scott Fraser, “Why eyewitnesses get it wrong”, *TEDxUSC*, May 2012, accessed April 30, 2014, [http://www.ted.com/talks/scott\\_fraser\\_the\\_problem\\_with\\_eyewitness\\_testimony/transcript#t-204877](http://www.ted.com/talks/scott_fraser_the_problem_with_eyewitness_testimony/transcript#t-204877).

<sup>43</sup> Maurice Halbwachs, *The Collective Memory* (New York: Harper & Row, Publishers, Inc., 1980), 50-51.

<sup>44</sup> U.S. Supreme Court, Brief for the American Psychological Association in support of the Petitioner in *Barion Perry v. State of New Hampshire*, 10-8974 US (2012), 5.

because of memory's inherently malleable nature.<sup>45</sup> The problems that come with memory as possible evidence has prompted memory researchers to produce more than 2,000 articles in professional journals since 1977. According to a *New York Times* journalist, "there is no area in which social science research has done more to illuminate a legal issue."<sup>46</sup>

In 2012 the United States Supreme Court considered the question of whether eyewitness testimony in courtroom trials had to be treated with extra consideration. In *Perry v. New Hampshire*, No. 10-897 Barion Perry was convicted of breaking into a car and sentenced to three to ten years in prison. A witness told police she saw Perry from her fourth-floor window take things from the car. Though she identified him at the scene of the crime, later she could not pick him out of a police photo lineup nor could she provide a description more detailed than that the perpetrator was "a tall black man." She also could not identify him in court. Perry's lawyer argued that the witness should have been excluded from testifying at trial because her observations were unreliable, and that the judge should have been compelled to review the believability of the eyewitness testimony before it was admitted as evidence, because eyewitness testimony is inherently flawed.<sup>47</sup>

The Supreme Court however, rejected any requirement for courts to examine eyewitness testimony with extra care before it is presented to a jury (except in cases where police engaged in misconduct while gathering evidence). The court acknowledged that memory could be changeable. "We do not doubt either the fallibility or the importance of eyewitness evidence generally," wrote Justice Ruth Bader Ginsberg for the court's 8-1 majority. "In our system of

---

<sup>45</sup> Innocence Project website, accessed June 14, 2014, <http://www.innocenceproject.org>. In her lone dissenting vote, Justice Sonya Sotomayor quoted data from one study, saying "Researchers have found that a staggering 76 percent of the first 250 convictions overturned due to DNA evidence since 1989 involved eyewitness misidentification. Liptak, "Eyewitness Evidence Needs No Special Cautions." This study was conducted by Brandon Garrett, a professor of law at the University of Virginia. Garrett wrote the book, *Convicting the Innocent*.

<sup>46</sup> Adam Liptak, "Eyewitness Evidence Needs No Special Cautions, Court Says," *New York Times*, January 11, 2012, accessed July 24, 2014, [http://www.nytimes.com/2012/01/12/us/supreme-court-says-witness-evidence-needs-no-special-cautions.html?\\_r=0](http://www.nytimes.com/2012/01/12/us/supreme-court-says-witness-evidence-needs-no-special-cautions.html?_r=0).

<sup>47</sup> James Vicini, "Supreme Court rejects special review of eyewitness testimony," *Reuters*, January 11, 2012, Accessed July 24, 2014, <http://www.reuters.com/article/2012/01/11/us-usa-court-eyewitness-idUSTRE80A1CH20120111>.

justice, however, the jury, not the judge, ordinarily determines the trustworthiness of evidence.”<sup>48</sup> Processes such as cross-examination, jury instructions and the usual rules of evidence allow for juries to evaluate the credibility of individual eyewitnesses and determine for themselves whether to believe their memories.

During the height of the 1980s pitched battles over the malleability of memory in academic circles and courtrooms, renowned memory researcher Elizabeth Loftus testified as an expert witness for the defense in the *Alaska vs. Peel* trial in Ketchikan. She was called to testify because the case was at its core a dispute about contested memories. Since her work in the Peel case Loftus has testified in numerous criminal cases as an expert witness for the defense, even penning a memoir about her experiences, *Witness for the Defense*. In her memoir, she explains that she is usually asked to describe to the juries how memory works, how it can change over time, and how eyewitnesses can sometimes even believe their own false memories. “That’s the frightening part,” she wrote, “The truly horrifying idea that our memories can be changed, inextricably altered, and that what we think we know, what we believe with all our hearts, is not necessarily the truth.”<sup>49</sup>

This thesis looks at the role of memory in the 1982 tragedy of the *Investor* murders and subsequent legal proceedings of *Alaska vs. Peel*, including two grand juries and two trials —as well as a federal civil settlement, paying particular attention to the eyewitness testimony presented as evidence against John Peel. By reconstructing a narrative of events and analyzing how eyewitness testimony was gathered, processed, and presented by police, the nuanced nature of memory is illuminated, providing more insight into why the *Investor* murders has remained a troubling case with inadequate resolution for all parties involved. Ultimately, this analysis also reveals ways in which we remember tragedies, both personally and as communities, and perhaps more importantly — how these tragedies become enmeshed in the fabric of our identities.

---

<sup>48</sup> Ibid.

<sup>49</sup> Loftus and Ketcham, *Witness for the Defense*, 13.

## *Methods*

For this thesis, my methodological approach to data collection and analysis was multi-disciplinary, immersive, and exploratory. The primary source documentary data I relied upon for this thesis included thousands of pages of court records, the vast majority of which are housed at the Alaska State Archives in Juneau. As I scoured thousands of pages of documents, official testimony transcripts, and my own interview notes, I noticed the subtle differences in how people remembered the same event. This malleability of memory caused me numerous headaches as I tried to organize a timeline of known facts. This struggle is what first prompted me to take a closer look at the role of memory in the investigation of the *Investor* case. Investigators not only faced the same dilemma, they also intentionally or unintentionally contributed to the problem in how they handled the case.

I filed Alaska Public Records Act requests to release some documents that had been sealed, but should have been accessible to the public according to a court order by Judge Walter Carpeneti. This has been a multi-year process that is still ongoing. I also conducted several interviews with a variety of individuals connected with the case, including law enforcement, legal personnel, victims' family members, victims' friends, fishers, and other community members.<sup>50</sup> Some names of these interviewees have been withheld to protect the privacy of individuals whose lives have already been shattered by trauma.<sup>51</sup> The historical research process also included a systematic gathering of hundreds of news articles from Washington, Alaska, and national newspapers about the murders, the victims, the investigation, and the trials of John Peel. I quickly became acquainted with the sheer volume of information and numbers of individuals involved. Several Alaska and Washington newspapers covered the story of the *Investor* murder investigation and the two trials of John Peel. National and regional fishing publications also

---

<sup>50</sup> E-mail communication with Bridget Watson, Office of Research Integrity, Center for Research Services, University of Alaska Fairbanks, January 24, 2014. Because this is a historical journalistic case-study, the University of Alaska's Institutional Review Board (IRB) said it was not required to go through the IRB review process for human subjects research: "Based on your description of the work for your thesis, this project does not constitute research with human subjects and therefore does not require review by the IRB."

<sup>51</sup> Please note that quotes attributed to these sources throughout the are not footnoted.

published stories, and while some newspapers indexed stories, many did not.

I reviewed several historical topics as part of my literature review for this thesis, including literature about commercial fishing, memory and eyewitness testimony, and mass murder and the criminal justice system, with a specific focus on Alaska for each. I have presented this literature throughout this thesis and in sections where the information is most relevant. For example, for my literature review of commercial fishing, topics ranged from cultural traditions and fisher identity, historical management trends, advances in technology and gear, to localized fishing techniques and practices.

To help imagine what life was like on the *Investor* in 1982, during the summer of 2011, I worked as a commercial fisherman in Bristol Bay on the *F/V Heavy Metal*. While the Bristol Bay gillnet sockeye salmon fishery is different from the Southeast Alaska purse seine fishery, the two share many commonalities. While some fishers in Alaska focus on one or two fisheries throughout their career, it is also common for fishers to participate in multiple fisheries in the state depending upon opportunity, season, and geography. My joining the *Heavy Metal* was what anthropologists call “participant observation” which allows for the researcher to engage directly with the activities of the subjects, thereby “learning by doing.” It creates a different type of knowledge than what is gained from interviews or archival research. “It produces the kind of experiential knowledge that lets you talk convincingly from the gut, about what it feels like to plant a garden in the high Andes or dance all night in a street rave in Seattle,” explained anthropologist Russell Bernard.<sup>52</sup>

I also spent several weeks in Craig, Bellingham, Blaine, and other fishing communities interviewing respondents and developing a better understanding of the local history. For example, I spent one afternoon driving around the Bellingham neighborhoods to see the childhood streets and homes of several of the victims, as well as, witnesses who testified at the *Alaska vs. Peel* trials.

During the summer of 2009, I made the first of three visits to Craig. During my first visit,

---

<sup>52</sup> Bernard, Russell H, *Research Methods in Anthropology: Fourth Edition* (Oxford, UK: AltaMira Press, 2006), 342.

my perception of this quaint fishing village immediately changed. I found that the town is made up of mostly friendly, family-oriented people who share a complex and sometimes troubled history. People were curious to see a new face and when I told them that I was researching the old unsolved murder on the island, the unexpected and eerily nonchalant response I commonly heard was, “which one?”

When a murder case is solved, an enterprising journalist or researcher may uncover new information or a skilled writer may provide profound observations about characters or the event itself, but the basic story has been outlined by the boundaries of facts of the case. In a cold case, loose ends quickly become rabbit holes down which possible valuable clues may or may not rest. I followed some of these, but mostly tried to focus my research on understanding how the police investigated the case, including how and why John Peel became their only suspect and the memories of everyone involved. I spent countless hours comparing various so-called “facts” of the case, only to later find a new piece of information that caused me to question my careful research.

Anyone looking for a comprehensive analysis of all the testimony and evidence available in this case in an effort to give a theory about who killed the Coulthurst family and teenage crew on the *Investor* will be sorely disappointed. I have made careful selections from court testimonies, interviews, and other documents to compile a specific analysis of the role of memory in the investigation of Peel as a suspect and the numerous *Alaska vs. Peel* court proceedings. I have not analyzed any information relating to drug activity, ballistics evidence, and other topics that may be important in formulating a theory about who should be held responsible for the *Investor* murders.

It became clear early on in my research that as long as the *Investor* case remains unsolved, the central question for almost anyone who hears of it will always be: Who was responsible for the horror? Was it Peel? If not Peel, then who? And yet, the desperate search for the truth about what happened those terrible days in September 1982 has revealed a rich story of human resilience, strength in community, and individuals’ personal struggles with the most

traumatic event many would ever experience. It has provided an unusually well documented look into the way that people remember events in situations where so much remains unknown, missing, or misunderstood. Memories change, memories become implanted, and memories fail.

The search also tells the story of a human need for certainty — and what happens in situations where certainty is as elusive as Big Foot.

From the time of the murders to the start of the first *Alaska v. Peel* trial in Ketchikan, more than two dozen troopers and lawyers worked together to try to persuade a jury that Peel had killed the *Investor* crew in a fit of rage and lit the boat on fire to hide the evidence. They failed. In the words of one juror, a Juneau housewife, “I still can’t figure out why the state thought they had any kind of case.”<sup>53</sup> In a case with such high stakes, how did the investigation come up so short?

With this thesis, the intent has not been to dance around the obvious overarching and possibly unanswerable “whodunit” question, but to use historical analysis of a horrific event to explore the high price of law and order in an isolated community, and see how the frayed cords of memory twisted the story. A reader should be aware that many of the facts of this case are still disputed today, witnesses’ memories continue to change, and — perhaps most importantly — the trail of the *Investor* murders remains cold and will probably stay that way until substantial new evidence is revealed.

---

<sup>53</sup> Carbonara, “A Burnt-Out Case,” 267.

## Chapter 2: A Seiner to Remember

Two days before his body was found on a burned fishing boat in a remote Alaskan harbor, skipper Mark Coulthurst motored the gleaming, nearly-new *Investor* into Craig, rafted up to another seiner, and told his four teenage deckhands they could have the night off. He chose to dock up at North Cove, which was the quieter of the two docks in town, though dozens of fishermen would still have been milling about on the docks, cooks would have been preparing dinners in galleys, and deckhands would have been mopping up decks and unwinding with booze and ice cream.

“Be back here by noon tomorrow,” Coulthurst told his four crewmembers, light-heartedly. He knew that they needed a break after several days out at sea and would be relieved to have some time off to relax, smoke a little pot, and walk to the nearby Laundromat to call friends and family back home. It was also Coulthurst’s 28th birthday and he planned to celebrate at a local waterfront restaurant with his wife Irene, and their two kids, Kimberly and Johnny.

Not long after their deckhands departed, the four Coulthursts also climbed over the railings of the *Investor*, onto the *Decade* (the boat they were rafted to), and finally, over the deck of the *Defiant*, which was tied to the dock, on their way out to dinner. This parking arrangement was typical for this time of year in Craig when fishing vessels far outnumbered the available moorage at the docks. It also meant that whomever intended to murder the young family and the teenage crew later that night had to not only walk past dozens of fishing vessels moored to the docks, but also cross the decks of both the *Defiant* and the *Decade* just to reach the *Investor*. Craig may have been remote, but the docks were a center of activity during fishing season. The idea that eight people could have been shot to death within earshot of dozens of fishermen has remained one of the more perplexing parts of the tragedy of that night.

When it arrived in Craig on Sunday, September 5, the *Investor* had just finished several hard days fishing an “opener,” the term used to refer to a designated time period fishermen were allowed to fish. They had done well, coming to port with a broom tied to their mast (a symbol of



having caught one hundred thousand pounds of salmon). The next few days would be a “closure” and fishing was not permitted. The majority of the seine fleet that fished the waters east of Prince of Wales Island would have been in Craig during the Labor Day weekend closure. Closures also allowed salmon to pass freely and return to the rivers and streams to spawn, ensuring there would be a future salmon population. It was a careful and often contested balancing act that fell in the hands of fishery managers as closures also reduced the chance for skippers to catch enough fish to pay their bills at the end of the season. Fishermen used the closures to drop off their catches, repair nets, catch up on rest, and return to ports to replenish their supplies.

Coulthurst was proud of the *Investor*, one of the flashiest boats in the seine fleet that fished the salmon run outside of Craig. It came equipped with not only the latest state-of-the-art fishing gear, but also many of the comforts of home that fishermen often have to leave behind during their weeks and months at sea — such as a fully-equipped galley and a washer and dryer. The 58-foot seiner was just a year old when Coulthurst bought it, and, despite sailors’ superstitions against renaming boats, Coulthurst had christened his new acquisition the *Investor* to symbolize his ambitions to join the ranks of the “highliners” — the proud title given to the legendary class of fishermen who, with uncanny skill, more than a little luck, and years spent paying their dues on the waters, were raking in enviable sums of cash.

The *Investor* was an important advancement for Coulthurst, but the question lingered in some circles about where the money for the boat had come from. Terms of Coulthurst’s financing arrangement to purchase the *Investor* came under intense scrutiny during the years after he and his family were found murdered on the boat that was supposed to have unlocked life’s opportunities for the young Bellingham family. “How could he afford it?” people would ask.

And it was true — at the age of 27, Coulthurst was a young fisherman with big dreams who had just shouldered himself with enormous debt. People would wonder about what kind of pressure he was under and whether his anxiety contributed to a willingness to engage in risky and perhaps illegal behavior that may have opened a door for danger. But anyone who knew Coulthurst agreed on two seemingly contradictory aspects of his character: his family always

came first, but he was a gambler who would've eagerly accepted the challenge of the *Investor* — even if it meant that he'd have to make a killing just to break even that first year.

Ever since anyone could remember, Coulthurst had been a driven kid and especially liked the rewards that came with earning money. His mom, Sally Coulthurst, remembered how her only son was always concocting ingenious ways of making cash. He sold peanut butter and jelly sandwiches at neighborhood adult poker games and rented out his own shoes to fellow band members during performances, his mom recalled, proud that he took after her in his adeptness at the business of managing his money. Coulthurst's sister, Lisa, remembered how her big brother raised his own chickens in his family's backyard where they grew up in the quiet Marietta neighborhood with dirt roads on the outskirts of Bellingham, Washington.

When Coulthurst was growing up in Bellingham during the 1960s and 1970s, fishermen and pulp mill workers dominated the town's landscape. It was no surprise that an ambitious youngster like him who had no intention of going to college but liked hard work would gravitate toward a career in either one of those industries. At age 15, Coulthurst got a job in the parts department at a local motorcycle shop, but the shop's owner was also a fisherman who would introduce the teenage Coulthurst to commercial fishing after work in the evenings in Bellingham Bay.<sup>54</sup>

Coulthurst was quickly hooked on commercial fishing and with help from his dad, that winter he bought and fixed up an 18-foot sunken wreck of a skiff so he could start working for himself. Coulthurst named it *Mark's Farkle* for a popular dice game — perhaps a reflection of his early understanding of fishing as a constant gamble. For the next two summers, Coulthurst fished for salmon in the waters of Bellingham Bay and Puget Sound, but soon set his sights on bigger boats.<sup>55</sup>

Coulthurst still did not have enough to buy a commercially-made boat, but by the time

---

<sup>54</sup> John Coulthurst, 1986 Ketchikan trial transcript, *Alaska v. Peel*, n.p.

<sup>55</sup> David Kiffer, "'Investor': Success story ends," *Ketchikan Daily News*, September 9, 1982.



**Figure 11: A view of the *Investor* underway. Photo courtesy of *Alaska v. Peel* case court archives.**

he finished high school, he had made enough money fishing to buy a \$10,000 diesel engine and three pieces of fiberglass. Again with help from his dad, Coulthurst built a simple but sturdy 36-foot gillnet boat, calling this one the *Saint Mark*. This time, the name reflected not the risks of fishing, but Coulthurst's self confidence — another necessary attribute for a successful fisherman. The *Saint Mark* would be Coulthurst's first boat to make the long journey north to Alaska and the fishing grounds that, beginning with a rebounding salmon population in 1976, would be seen as the last frontier of America's fishing industry.

It was not surprising to Coulthurst's friends and family that he gravitated toward being the skipper of his own boat. He was a natural leader. One fisherman who had grown up with Coulthurst and accompanied him on his first trip to Alaska noted that the two of them may have

been friends, but their personalities clashed, and they never fished together again after that. “You can’t have two captains on a boat,” he said remembering his friend 30 years later and how they both wanted to be in charge.

Coulthurst found a more suitable partner in his first and only girlfriend — and the woman he would later marry, Irene Hudson. Irene was a pretty, petite brunette with a round face, a friendly demeanor, and simple life goals. In the caption next to her 1972 Bellingham High School senior class photo in which she was pictured with long dark brown hair and wearing hexagonal-shaped glasses and a grin, she listed her life’s ambitions as: “to always wear a smile and still be riding horses when I am 90 years old.”<sup>56</sup> The couple married soon after they both graduated from high school. A short while later, they moved to Blaine, a small fishing town located a half hour north of Bellingham and on the Canadian border. It was also home of some of the fastest and biggest seine boats in all of Washington.

Their move to Blaine turned them into “Borderites,” the friendly nickname for the roughly 2,360 residents of this small fishing town. Blaine was more desirable for fishermen because it was closer to the rich fishing grounds off Point Roberts, just north of town. The Coulthursts bought an empty forested lot on Harvey Road and they immediately started making plans to build their 4,200-square-foot dream home. The couple was known for throwing good holiday bashes and their family soon began expanding. Kimberly was born in 1977, followed by John — who was named after Coulthurst’s father — in 1979.

Coulthurst fished in the waters off the coasts of Washington and Alaska for salmon, herring, and crab, but he also fished in California for herring during winter with a group of like-minded fishermen he had met in Blaine. These fishermen would travel with their wives and children to California for the duration of this lucrative season, often renting an apartment in San Rafael to house their families while the men were out at sea. Coulthurst and these other young fishermen epitomized the era’s “new breed of fisherman,” and who were a response to the changes occurring in the industry. They were young, ambitious and drawn to fishing as much

---

<sup>56</sup> Bellingham High School, *Shuksan 1982 Yearbook*, (Bellingham, WA: Graduating Class of 1972), n.p.

for the lifestyle as for the profitable opportunities it provided.<sup>57</sup> In one novel business scheme, Coulthurst and two partners operated Angel Island Pacific Salmon Co., which brought frozen fish to markets in the interior part of Washington State.

Coulthurst was naturally ambitious and, always looking for a bigger pot, he began to invest in bigger and better boats, each one capable of holding more fish and weathering more dangerous seas. He would soon make the switch to purse seining, a method of fishing that often yielded more profitable results. After buying the *Kimberly Lynn*, a gillnetter named for his daughter, Coulthurst bought his first purse seiner, the *Kit*. The *Kit* was a pretty wooden boat and Coulthurst and his crew did extensive renovation work on the vessel, but it was dated and limited Coulthurst's opportunities. Fishermen tended to choose a boat — or “gear type” in industry jargon — where they had a job offer or an opening of some kind. If a friend or family member was a seiner, they seined. If they knew a gillnetter, they gillnetted. Some fishermen, however, did switch between gear types, especially as the fishing opportunities changed during a fisherman's lifetime. Within a few years, Coulthurst sold the *Kit* to buy the *Investor*, his finest and biggest boat yet. “I think Mark was always interested in getting a bigger boat,” said Roy Tussing, one of Coulthurst's longest-serving deckhands and close family friend.

The switch to purse seining also seemed to suit Coulthurst's personality better — purse seining may have higher overhead and involve a larger crew, but the payoff could be substantial as these boats could hold more fish and travel to fishing grounds inaccessible to smaller boats. “He wanted a bigger boat that could pack more,” Tussing said, “He wanted a boat that he could go and fish competitively on the Outside, in Outside waters.”<sup>58</sup> By “Outside” waters, Tussing was referring to the fishing grounds east of the islands that made up Southeast Alaska — and where fishermen were just beginning to learn held vast schools of salmon.

Alaska, by far, held the most promise for the future when it came to commercial fishing,

---

<sup>57</sup> Arnold, *The Fisherman's Frontier*, 166.

<sup>58</sup> Roy Tussing, 1984 hearing of the Grand Jury, *Alaska v. Peel*, No. IKE-S84-1010CR, Juneau: Alaska State Archives, 1986), n.p.



attracting this new breed of fisherman to the last frontier. “At that time, we were always looking for something else to do, something else to fish for,” Coulthurst told the *Pacific Fisherman* magazine earlier in 1982.<sup>59</sup> He had an eye on expanding his fishing operations, but he was also family-oriented and his spacious new boat would have room for his wife and two children. “At the end of five years,” Coulthurst said, “I don’t want to have to spend 150 days a year on the boat, away from my family.” During the 1970s, there were also few key transitions taking place in the Pacific fishing industry that would have an immeasurable influence on every fisherman from San Francisco to the Aleutian Islands, including the young and rapidly rising star, Mark Coulthurst.

Like many skippers, Coulthurst’s chose his crew out of those who’d previously fished with him — and from hard-working friends and family who wanted to learn. Starting the 1982 salmon season was: Mike Stewart, Coulthurst’s first cousin who lived in Bellingham; Leroy Flammang, a border patrol officer who lived in Blaine and had fished with Coulthurst during previous summers; Dean Moon, a teenager from Blaine who had helped him out earlier that spring in Togiak and for the previous three seasons; Chris Heyman, the son of a marina owner Coulthurst had met in California where he fished during winter for herring with a fleet of gillnetters from Blaine; and Roy Tussing, the engineer and skiff operator who had fished for Coulthurst for seven years. Flammang, the cook, left early to attend a friend’s retirement party, but Irene Coulthurst picked up his duties in the galley. Tussing also left the *Investor* before the season was over and to replace him, Coulthurst hired one of Moon’s close friends from high school, Jerome Keown. Keown had finished his freshman year at Seattle University and had recently learned his girlfriend was pregnant.

Tussing left the *Investor* the last week of August 1982, citing growing troubles with a persistent hydraulic tank leak, low morale among the crew, and a frustration with a skipper with

---

<sup>59</sup> “Mark Coulthurst: Doing the Bellingham Scramble.” *Pacific Fishing*. vol. 3, no. 6 (June 1982):13-17.

an attitude problem that he attributed to Coulthurst's growing ambitions.<sup>60</sup> Upon his departure at the end of August, Tussing and Coulthurst shook hands amicably. However, Tussing also had a few choice words for his long-time skipper.

"Mark," Tussing told him, "you are turning into an asshole."

Tussing suggested to Coulthurst that he be more open in sharing information about fishing spots and other useful fishing-related tidbits with other fishermen, especially since those fishermen had been so helpful to Coulthurst when he first was starting out in unfamiliar Alaska waters. The truth was, Tussing just never felt good about Coulthurst's purchase of the *Investor*:

...we had worked from the bottom with the *Kit* [one of Coulthurst's other boats], we were starting to take home money and could coast a little. I could just see the massive amount of work and maintenance on the new boat.

He said he thought to himself, "Here we go again." With the new boat, Tussing also observed that Coulthurst's personality had begun to change. He could often be hot-headed, but now he was becoming plain arrogant. Others noticed too. Tussing had recently been warned by an older fisherman about continuing to work for Coulthurst, saying, "you better be careful, Mark would walk over graves to make a buck." Whether this was jealousy or not, Tussing was uncomfortable with what he was hearing and wanted to make sure Coulthurst did not make unnecessary enemies.

Coulthurst's response to Tussing's concern showed that he could not have cared less about his image.

"So what?" he said.

---

<sup>60</sup> Statement of Roy Tussing taken by Catherine Ward, n.d. *Alaska v. Peel*, No. IKE-S84-1010CR, (Juneau: Alaska State Archives, 1986).

### Chapter 3: The Manhunt Begins

When Sgt. John Glass got the call about a boat fire in the Craig harbor on the afternoon of September 7, 1982, he was still new to the Ketchikan office, having transferred there from Juneau the previous Tuesday. Glass was responsible for overseeing the posts Ketchikan, Petersburg, and Klawock and he had been in touch with the Klawock-based Trooper Anderson for several hours about the situation involving a Washington purse seiner. He knew that if help was needed in Craig, it would take, at minimum, a 35-minute float plane flight in good weather to get there — even longer if the situation required expertise from Anchorage. Just after 9 p.m., Glass learned that bodies were discovered on board the *Investor* and he notified the Anchorage-based Criminal Investigations Bureau (CIB), setting into motion a chain of events that would later become the subject of the critical eyes of news reporters and defense attorneys. By the following morning, backup was on its way.

By the time the first Alaska State Trooper homicide detectives arrived in Craig to assist Trooper Anderson with what was at the time, the deadliest murder in Alaska history, three days had passed since Mark Coulthurst and his family and crew had last been seen alive. If the troopers learned anything at all from this case, one detective would say 30 years later, it was just how critical were the first 24 hours after a crime occurred.<sup>61</sup> The fact that it took an entire day for detectives to travel to Craig after the bodies were discovered meant that whoever was responsible for the mayhem aboard the *Investor* had ample time to either hide — or escape. Furthermore, since the murdered bodies of the *Investor* crew had gone undetected for two days, most of the fishing fleet had already left without knowing anything happened.

Detectives had no idea who had been in Craig when the *Investor* crew was killed — and no way of finding out. They were further confounded by the fact that all eight of the victims were from out-of-state, and, as far as they could tell, they had few, if any ties to Craig. This meant that key witnesses were scattered in fishing towns from California to the Aleutian Islands — a span

---

<sup>61</sup> Glenn Flothe, interview with author, Anchorage, Alaska, September 15, 2014.



of thousands of miles. It would take months, even years, to interview everyone. For fishermen, this transience and puzzle of geography was part of the game of fishing. To investigators, it was a mammoth obstacle in their hunt for a killer.

The investigation was three-pronged. Sgt. Glass would lead a team based in Ketchikan, making contact with victims' families and coordinating communications with the media. A second team (troopers Jim Stogsdill and Chuck Miller from Anchorage) would be in charge of the "debrisement" process, which entailed sifting through two tons of charred remains of the *Investor* and looking for physical evidence. The third team was made up of Juneau-based Captain Mike Kolivosky, 40, the highest ranking officer who had a reputation for honesty and once described himself as a "redneck SOB" who was "probably the most 'Archie Bunker' of all the guys on the force,"<sup>62</sup> and Troopers Roger McCoy and Bob Anderson. These three would spend time on the ground in Craig and Klawock, locating and interviewing witnesses.

After the bodies were removed Tuesday evening and more remains removed Wednesday from the charred boat, the fire once again flared up and law enforcement and volunteer firefighters struggled to keep the flames down. The fire and the efforts to control it destroyed much of the physical evidence before Stogsdill and Miller had a chance to sort through the burned wreckage beginning Thursday morning.

The police would also be criticized as being less than expert investigators. Stogsdill was chosen to lead the debrisement process because he was considered the most expert arson investigator available; in fact his experience was limited to one week of arson training the year before at Northwestern University and two weeks on assignment with the King County Arson Squad in Seattle. They contracted with an outside arson expert, Barker Davies, who assisted with identifying if an accelerant was used to start the fire.

While Miller had worked homicide scenes before, he was so unfamiliar with the fishing

---

<sup>62</sup> "Retiring Alaska Trooper Seeks Something Different," *Juneau Empire*, August 11, 1988, <http://juneauempire.com/stories/081198/retiring.html>, accessed March 13, 2014.

industry that he did not have a clue about what a purse seiner was, saying later that the vessel was about as familiar to him as an aircraft carrier. Two representatives from Delta Marine, the boat manufacturer, were flown up to assist troopers, providing the expert boat knowledge that they lacked. Craig police also assisted. One of the most significant critiques of the debrisement process was the use of shrimp screens to sift through the charred mess aboard the *Investor*. The screens were considered to be the only option available, but the large mesh size might have allowed smaller but critical pieces of evidence (such as bullets for example) to pass through and dumped overboard.

Meanwhile, McCoy, Kolivosky, and Anderson faced the difficult task of interviewing dozens of transient fishermen and local residents, many of who were skeptical of, or even hostile to law enforcement. The team relied to some extent on the officers at the Craig police department, but inter-agency friction left the local police feeling less than enthusiastic about assisting state law enforcement. The Alaska State Troopers relied heavily on Trooper Anderson and his Craig-born assistant, Gerald Mackie, and their knowledge of the local landscape.

The team faced the risk of interviewing the wrong individuals during the short window of opportunity. Because it was such a hectic time in the fishing season, as many as 200 boats could have been docked in town, doubling or even tripling the town's population of 500 residents. "Boats are coming and going, most of them going home, so we've got to track all those people down," Stogsdill said, explaining why there was such a long delay — in some incidences almost a year — interviewing some of the people who would end up being critical witnesses.

Within a few days, however, troopers learned that at least four people had seen a person driving the *Investor*'s skiff away from the fire and each were interviewed by police who jotted down notes from the conversations. The descriptions of the man were similar, with some small variations. Each of the witnesses described seeing a man in his early 20s, about 5 feet 10 inches tall, medium build, with blond to light brown hair cut just below the ears. The man was wearing a baseball hat and hoodie sweatshirt or fishing jacket and rubber boots. He was clean-shaven, and some witnesses described the man with an acne complexion. A few witnesses recalled the man

was wearing dark-framed glasses. “We’re convinced we’re looking for the same person,” Stogsdill said, “So what do we do? The next step is to interview as many people as we can, everybody we can find, everybody who was in Craig at the time of the killings, at the time of the fire.”<sup>63</sup>

Further complicating the situation was law enforcement’s delayed decision to close off traffic to and from the island immediately after the bodies were discovered on the *Investor*. The ferry terminal in Hollis was still running. The airport in Craig was still operating until Wednesday afternoon, with planes departing the island on regularly scheduled flights. Several fishing boats with passengers also left the island, scattering potential witnesses. If the killer or killers had wanted to escape Craig unnoticed within the first few days after the fire, it would have been easy to do.

While detectives were examining the *Investor* for clues and trying to find the whereabouts of the skiff driver, they were not much concerned about the skiff itself. The *Investor*’s fiberglass 20-foot skiff went unnoticed by police for three days. While there would have been hundreds of skiffs in Craig that weekend, all different colors, sizes, and materials, the *Investor*’s skiff was unique because it had its identical color scheme of the main boat and was made of fiberglass (uncommon in Southeast Alaska). The skiff was moved at least twice by fishermen, as most saw it as being in the way of their normal work duties. A steady rain continued to fall in Craig, ensuring the fiberglass skiff was constantly soaking wet. By the time law enforcement decided to address the skiff, they felt it was too late to search it for fingerprints. They worried that rainy weather and an unknown number of people moving the skiff around after the fire would have made any fingerprints recovered of dubious origin. Though a plastic nozzle from a red gas Jerry jug was found in the *Investor* skiff, no prints were found on it.<sup>64</sup>

Alaska State Troopers would be heavily criticized for the decision to not look for prints on the skiff, because it was one of the only pieces of physical evidence that existed. One partic-

---

<sup>63</sup> James Stogsdill, 1984 hearing of the Grand Jury, n.p.

<sup>64</sup> It is unclear when the nozzle was fingerprinted. It may not have been fingerprinted until a year into the investigation.



**Figure 12: A view of the *Investor*'s bow after the fire on board was put out by volunteer firefighters. Photo courtesy of *Alaska v. Peel* case court archives.**

ularly vehement critic noted that for the amount of money spent on exhibits in later trials of the state's only suspect, it would have been wise to have spent \$5 to fingerprint a skiff.<sup>65</sup> Investigators would defend this decision as being the best one at the time because "we would have ended up with something untraceable. Always a question mark."<sup>66</sup> Anyone whose fingerprints showed up on the skiff could have simply said they had moved it — or come up with another excuse to explain why their prints were on the escape craft.

Trooper Anderson stated that they did their best, given the circumstances of the investigation. The poor weather conditions, remote location, and a poor understanding of the layout of the town caused significant difficulties unique to this case.

---

<sup>65</sup> Phillip Weidner, 1986 Ketchikan trial transcript, *Alaska v. Peel*, n.p.

<sup>66</sup> Charles Miller, 1986 Ketchikan trial transcript, *Alaska v. Peel*, 5790.





**Figure 13: A view of burned-out hull of the *Investor* after volunteer firefighters douse the flames. Photo courtesy of Alaska State Troopers.**

Thomas Schulz, the judge who presided over the first trial of Peel in Ketchikan, came to the troopers' defense. "They took every reasonable step," he said, "and I say every reasonable step, to preserve the evidence in this case, and that's what they're required to do." In those first few days after the *Investor* fire, the troopers had no idea what kind of case they were dealing with or what pieces of evidence would be most important, Schulz said, and "you'd need a big crystal ball to get to any of this stuff. And the police officers are not required to carry a crystal ball with them."<sup>67</sup>

---

<sup>67</sup> Thomas Schulz, Published Decision, August 30, 1985, *Alaska v. Peel*, No. IKE-S84-1010CR, (Juneau: Alaska State Archives, 1986), 41.

## Chapter 4: The Scene of the Crime

As part of their manhunt, Alaska State Troopers travelled thousands of miles and visited dozens of Pacific Northwest fishing towns to interview fishermen and victims' families and friends. They focused their efforts on Craig—and two Washington towns about a half hours drive apart in the far northwestern part of the state: Bellingham and Blaine.

These towns all had one thing in common: salmon.

The *Investor* was not in Craig that weekend by accident or by chance. Her arrival was simply part of the ebb and flow of the fishing way of life. Fishermen look at maps of the world differently than landmen. They see the water and not the land. Instead of plotting paths by analyzing networks of streets and highways, fishermen trace jagged coastlines and narrow channels snuggled between islands, looking for routes to navigate to fishing grounds. They consult tidal charts to determine if areas they hope to travel will be deep enough for passage or to reckon the strength and direction of a flowing current. Tides are a fisherman's timepiece. Salmon run with flooding or ebbing tide — knowing which in a particular area can mean the difference between a deck load full of fish or an empty one.

Weather forecasts are also judiciously noticed — 60-mile-an-hour winds can whip up seas in a matter of moments, hurtling boats over 20-foot waves and leaving deckhands scrambling to secure anything that can tumble overboard (including themselves). One author, Mark Kurlansky, who has chronicled the rich history of the industry, observed that in Gloucester, America's oldest fishing town, “people spent their whole lives without ever leaving their island, except that they might travel hundreds of miles out to sea.”<sup>68</sup>

Because fishermen are only human and cannot survive solely on the open ocean, they too must return to port occasionally to stock up on fresh water and store-bought groceries. They must sell their catches and repair broken gear. They must connect with families and friends, have a couple beers and relax after days or even months enduring unpredictable weather, hard labor,

---

<sup>68</sup> Mark Kurlansky, *The Last Fish Tale: the fate of the Atlantic and survival in Gloucester, America's oldest fishing port and most original town* (New York: Ballantine Books), 32.



and awkward living conditions. Their vessels must find secure anchorages in fishing towns to weather the storms. Fishing towns dot the rugged coastline of the Pacific Northwest and all are inhabited by families and friends who patiently await the return of loved ones who earn their livelihoods from the sea. These towns are connected to one another by long-standing routes navigated by skippers on their way between homeports and fishing grounds and resupply stations and back again.

Because of this, fishermen in places like Blaine and Bellingham, Washington, have a stronger connection to Alaska's fishing towns of Ketchikan, Kodiak, Craig, and Dutch Harbor than to anywhere else in their own state — even though they are separated from them by hundreds (sometimes thousands) of miles. Likewise, the fishing towns of Southeast Alaska are more closely linked both economically and culturally to Seattle (600 miles to the south) than to Anchorage — Alaska's largest metropolitan city.

The connection makes sense to the thousands of men and women who chase salmon, but to police investigating a mass murder, that a community could be deeply intertwined, yet so sprawling and in constant flux, was a nightmare.

### ***1970s: A Decade of Change***

The history of the commercial fishing industry on the northwestern coast of North America is a history of expansion and opportunity, seemingly and surprisingly nurtured by an underlying tension of conflicting user groups — all who want a share of the pie. The commercial industry in this part of the country benefited from the experience of being like the last sober person to arrive at a fraternity party, but still in search of a good time. Able to assess the damage, they could determine which kegs to exploit that would last until the party was over and which rules to establish to monitor progress, but were simultaneously faced with protecting the cache from other user groups. Familiar with the “tragedy of the commons” — Garrett Hardin's economic theory that posits that when human beings act independently and with self-interest, they often behave contrary to the benefit of the group, thereby depleting the common resource needed by all for survival — these late arrival partygoers could keep the tragedy at bay, and keep

the salmon flowing.

During the 1970s, Alaska's fishing industry was undergoing a major overhaul. New conservation-minded regulatory regimes were introduced throughout the Pacific Northwest and fish populations in certain fisheries that had once been diminished, rebounded. Furthermore, rapid advances in gear and boat technology allowed fishermen to be more mobile than ever before, often inducing competition, and in historian David Arnold's words, "made aggressive harvesting an economic necessity."<sup>69</sup> Arnold called the fishermen of this era "a new breed" who were adept at combining the business of fishing with its time-honored nomadic lifestyle.

One of the most significant impacts to Alaska's fisheries was a 1974 federal court ruling known as the "Boldt Decision." In the case, *United States v. Washington*, 384 F. Supp. 312 (W.D. Wash. 1974), Judge George Boldt upheld an 1850s treaty that granted indigenous fishermen in Puget Sound a 50 percent share of the total allowable harvest. The ruling came after decades of tension between Indian and non-Indian fishermen and was considered a major win for the former, on par with *Brown vs. Board of Education* as a civil rights landmark. "The fishing issue was to Washington state what busing was to the East," former U.S. Congressman Lloyd Meeds of Everett, Washington told a reporter. "It was frightening, very, very emotional."<sup>70</sup> The Boldt Decision also effectively eliminated opportunity for non-indigenous fishermen — such as those who lived in Bellingham and Blaine — and many then looked north to the rich waters of Alaska.

Like much of the Pacific Northwest, Blaine and Bellingham were also once important logging communities, but fishing became the mainstay after timber resources were slowly depleted. In the 1890s, Blaine's Semiahmoo Spit became home to one of the largest canneries in the country, the Alaska Packers Association (APA), a conglomeration of Alaska canneries based in San Francisco that was frequently at odds with Alaska fishers. From the early 1960s until the Semiahmoo Spit cannery's closure in 1974, the same year as the Boldt Decision, Blaine operated

---

<sup>69</sup> Arnold, *The Fisherman's Frontier*, 166.

<sup>70</sup> Alex Tizon, "The Boldt Decision/25 Years — The Fish Tale that Changed History," *Seattle Times*, February 7, 1999, accessed September 23, 2014 at: <http://community.seattletimes.nwsources.com/archive/?date=19990207&slug=2943039>.

as the regional headquarters for the company. After the Boldt Decision, many non-indigenous fishermen who lived in these Washington fishing towns began turning their sights north, but the legacy of APA and other canneries in Alaska meant that these Outside fishermen were not always welcomed in Alaskan waters.

Fishery managers in the north were looking at ways to better manage fishing in the coastal waters off the coasts of British Columbia and Alaska, prompted in large part by depressed salmon runs up and down the coastline during the previous decades. In the early 1970s, British Columbia began a licensing and fishing vessel buy-back program as part of a provincial fisheries management policy known as the “Davis Plan.” The aim of the buy-back program was to reduce the number of boats fishing in the waters off the coast.<sup>71</sup> However, this provided a glut of good boats for sale that could be used by fishermen in Alaska, inducing competition among Americans. At the same time, Alaskan fishery policy makers were also looking at conservation-minded policies. In 1973, the Limited Entry Act was introduced. This policy limited for the first time the number of permits available for fishermen in Alaska, forcing fishermen to apply for a permit to fish. Gone were the days when anyone with access to a boat could simply head out and harvest fish.

### ***Craig in Focus***

Anthropologist Stephen Langdon, who spent several years in Craig during the 1970s as part of his research for his PhD dissertation on the fishing economies and cultures of the area, has published several journal articles and reports that explored various aspects of fishing around Prince of Wales Island. Langdon’s detailed research remains the authority on the history and culture of fishing in this part of Alaska. His dissertation research occurred at a particularly pivotal juncture in Craig’s history, when fishing fleets were rapidly modernizing and adapting to changes in management regimes.

---

<sup>71</sup> R. Quentin Grafton and Harry W. Nelson, “The Effects of Buy-Back Programs in the British Columbia Salmon Fishery,” Australian National University, Economics and Environment Network Working Paper EEN0505, August 2005, accessed September 23, 2014 at [https://een.anu.edu.au/download\\_files/een0505.pdf](https://een.anu.edu.au/download_files/een0505.pdf).

Native Americans have lived along the Northwest coast for thousands of years. The world was never the same once early Spanish sailors began to appear off the coast. The Spaniards may have been the first visitors, but they left little more than a collection of names on the map. It was not until the mid-19th century that the white settlers who arrived in the area began to put down roots. As American fishermen began harvesting more salmon in the rich coastal Alaskan waters, canneries and other facilities were built to process the catch. Among the first settlers in Craig was entrepreneur Craig Millar who, Langdon said, with the help of Haida fishermen, built a fish saltery at Craig in 1912. Soon, a lumber mill, cold storage facility, and a cannery were built — all businesses that lured people into the area and provided good reasons to stay and build homes.

Before the arrival of the Spanish sailors in the late 18th century, however, local inhabitants had no specific name for the area where Craig now sits, but did refer to the island just offshore where the *Investor* was found burning as *Shaan-da*, or Fish Egg Island.<sup>72</sup> The channel between *Shaan-da* and present-day Craig was called *Shaan-seet*, today the name of the town's village corporation. Though it's not known for certain, Langdon determined that based on oral histories and archeological digs of the area, Fish Egg Island was probably used each spring by both Tlingit and Haida peoples to gather herring eggs herring in the thick, spidery strands of kelp that accumulated along the rocky shores.<sup>73</sup> This area had the second largest herring spawns in Southeast Alaska (after Sitka). Tensions between the two tribal nations had persisted on Prince of Wales Island since the first Haida families arrived from the south in the 18th century and began their slow northward encroachment upon firmly held Tlingit territory. But for some reason, Langdon said, these two powerful tribal nations coexisted with relative peace at Craig and on the islands that buffered it from the open ocean.<sup>74</sup>

---

<sup>72</sup> Steven Langdon, interview with author, Anchorage, Alaska, September 16, 2014.

<sup>73</sup> Steven Langdon, *Technology, Ecology, and Economy: Fishing Systems in Southeast Alaska* (PhD diss., Stanford University, 1977), 87-88. Langdon noted there is some uncertainty about the historical use of Fish Egg Island, explaining that it is possible it was a permanent winter site or even year-round home, but he supported the theory that it was “a highly stable seasonal site where people from several permanent villages gathered in the spring.”

<sup>74</sup> *Ibid.*, 87-88. This buffer zone also included the islands of Noyes, Baker, Lulu and others that, like Craig — or Fish Egg — were seasonal settlements for Tlingit and Haida people. Klawock, however, was always a Tlingit community.

During the first part of the 20th century, Craig slowly expanded as the town became a sort of service station for the area's increasingly lucrative logging and fishing industries. Unlike many villages on Prince of Wales Island, which were typically more ethnically homogenous, Craig appealed to everyone. Together, they weathered the fitful ups and downs that were characteristic of resource economies. By 1982, the year of the *Investor* murders, Craig had become a bustling village that was home to a mixture of white, Tlingit, and Haida families who made their livings fishing and logging for plentiful pink salmon and voluminous Sitka Spruce. It was a place "where people and cultures have come together," according to a town description on the website for Shaan-Seet.<sup>75</sup>

Yet, the image of Craig as a peaceful land of endless natural wealth and beauty is woefully incomplete. The cultures and economies of the various inhabitants of mixed backgrounds did not always mesh well. As fishing vessel technology advanced during the 1920s and 1930s, Tlingit and Haida fishermen adapted, Langdon said. While many worked in the local canneries, many also ran their own fishing boats and purse seining was a natural choice because it mimicked the way clans already operated. Clan patriarchs were skippers, employing younger men in the family to work as deckhands. Clans also controlled certain fishing territories that were then off limits to other seine boats. Infringing upon these traditional boundaries could result in violent conflict.

During the Prohibition-era 1930s, Langdon said Craig also had a lively bootlegging scene, earning Craig the nickname "Little Chicago." The nickname stuck for the next several decades in large part because of violence resulting from the continuing battles over fishing areas. The late 1930s through the 1970s in Craig were marked by increasingly severe shortages in salmon numbers and the resulting rise of fish piracy on the Outside-owned fish traps which up to 1959 harvested the majority of the salmon runs. Alcohol fueled the tensions and Langdon said that it was not uncommon for fishermen to bring their arguments from the fishing grounds back to town, duking it out in legendary brawls that were still part of the town's bar scene when he

---

<sup>75</sup> Shaan Seet Alaska Native Village Corporation website, accessed November 9, 2013, <http://www.shaanseet.com>.

arrived in the 1970s.

Further powering the tensions was a rapid decline in fishing opportunities for Alaska Native fishermen after the implementation of the Limited Entry Act in 1973. At first, permits were handed out for free to fishermen who could prove they had fished in a particular area, but it did not take long for fishermen to realize their value and prices skyrocketed. Fishermen who owned seine boats but were unable to secure a permit found the value of their boats had plummeted almost overnight. Coincidentally, beginning in 1976, once depleted salmon populations began rebounding the permits became even more lucrative. Many Alaskan fishermen, most commonly Native fishermen who lived in small coastal villages with limited economies, opted to cash in on the apparent windfall. And Washington skippers were more than happy to buy up any permits local fishermen were willing to sell — and at almost any price. Fisheries historian David Arnold noted that within the first five years after limited entry was adopted in Alaska, “nearly 30 percent of the purse-seine permits issued to rural fishermen in southeastern Alaska were now owned by outsiders.”<sup>76</sup>

For Alaska Native fishermen, however, fishing was not only a livelihood, but a part of the very fabric of their identity, providing a “link to family, community, and culture.”<sup>77</sup> Langdon described in his dissertation how “Tlingit thought conceives salmon as living ‘persons’ in villages on the ocean bottom from where they depart to return to their home streams.”<sup>78</sup> The loss of opportunity to partake in fishing was a severe blow to Alaska Native coastal communities throughout the state, resulting in resentment and friction.

Bruce Buls, a self-described “Southeast Alaska seine fisherman (turned writer),” explained the tense situation in False Pass, a legendary fishing area in the Aleutian Islands that was also popular with Washington seiners in the early 1980s. “What used to be a comparatively relaxed, friendly fishery shared by locals, Natives and a few pioneers from Washington,” he

---

<sup>76</sup> Arnold, *A Fisherman's Frontier*, 170.

<sup>77</sup> Ibid., 172.

<sup>78</sup> Langdon, *Technology, Ecology, and Economy*, 16.

observed, “has become an extremely competitive, dog-eat-dog situation.”<sup>79</sup> Much of the resentment was focused on the increasing number of newcomers from out-of-state. Buls noted that there had been enormous pressure to sell permits as local fishermen were lured by the promise of cash (a seine permit sold for as much as \$350,000 in 1984).<sup>80</sup> The consequence, he said, was essentially a “range war” that resulted in tremendous bitterness between fishermen. A similar situation was occurring in the waters around Craig.

Salmon fishermen in Southeast Alaska could also be quite territorial, Langdon observed while he was conducting his dissertation research, which involved working on Craig-based seiners in the mid-1970s. Langdon became familiar with several fishing locations frequented by Craig and Klawock fishermen, including a spot known as Granite Point off Baker Island, which was unofficially (but locally understood to be) open only to local Native fishing boats. “With the exception of one white captain, [Granite Point] seemed to be demarcated by ethnic and local designators,” Langdon observed.<sup>81</sup> His Tlingit fisher informant had told him that local Native fisherman had granted special access to the one white fisherman, but no others would be allowed to fish there without similar permission. Langdon said when asked to explain further, his informant “grinned and promised that if an unusual boat came out to Granite Point I would see what happens to them.”<sup>82</sup>

In many ways, Craig was a microcosm of the struggles occurring on a larger scale throughout the entire territory of Alaska since the 18th century, as waves of newcomers in pursuit of wealth — furs, fish, gold, copper, timber, and finally oil — tried to get a share of the bonanza.

The idea that the murders on the *Investor* had been a result of crossfire in a range war or

---

<sup>79</sup> Bruce Buls, “Fishing in False Pass: the legend and the reality: A Southeast Alaska, seine fisherman (turned writer) takes a trip to greener pastures,” *National Fisherman*, March 1984, 5.

<sup>80</sup> Ibid.

<sup>81</sup> Langdon, *Technology, Ecology, and Economy*, 365.

<sup>82</sup> Ibid., 366.



done to warn Washington fishermen away from Alaska waters did not escape the rumor mill and was included in a list of possible scenarios in a story published in *People Magazine* a year after the murders. “Realistically, there’s always been some hard feelings among the Alaskan fishermen toward out-of-state people,” Sgt. Chuck Miller told the magazine, “but this would have been pretty bloody extreme. I sincerely believe it was an isolated incident and won’t happen again.”<sup>83</sup>

### ***Mayhem on the Last Frontier***

More people were getting murdered in Alaska than ever before in the early 1980s. “We live in an atmosphere of a great deal of violence,” Ted Drahn, a University of Alaska Fairbanks sociology professor told a newspaper at the time.<sup>84</sup> By far, the deadliest year since statehood was 1982, the year of the *Investor* murders, when 81 people were murdered on the last frontier. That record continues to hold to this day. The two other most lethal years on record are 1981 and 1983, which each saw more than 60 murders in Alaska.<sup>85</sup> The murder rate in Alaska was considered to be “especially alarming” and one journalist observed how during these years, “... the state has been shaken by a rash of unexplained, unprovoked and random killings.”<sup>86</sup>

The *Investor* murders claimed more lives than any other mass murder in Alaska’s history, but that record did not even last two years. On May 18, 1984, Michael Alan Silka went on a seemingly random rampage in the remote interior village of Manley Hot Springs, shooting to death ten people. The previous year, Alaska State Troopers had arrested Robert Hansen, a serial killer responsible for the deaths of at least 17 women between 1971 and 1983. Also in 1983, a man had gone on another shooting rampage in the mountain town of McCarthy, killing six of the town’s 22 residents. Alaska’s murder rate during these years was comparable with some of

---

<sup>83</sup> Mccall, “A Bloody, Baffling Mass Murder Shakes the Peaceful Spirit of a Small Town in Washington.”

<sup>84</sup> Associated Press. “Mass murders shake Alaska,” *The Telegraph*, April 3, 1982. The article specifically describes five particularly random acts of killing. In Fairbanks, 3 people were shot dead after a barroom shootout and over a two-year span, five women had been found strangled and shot; in Anchorage, 4 teenagers were gunned down in a city park, the murders of six people in McCarthy waiting for the weekly mail plane, and the *Investor* murders.

<sup>85</sup> Federal Bureau of Investigation, *Crime in the United States* [Uniform Crime Reports online], (Baltimore,) available from <http://www.ucrdatatool.gov>.

<sup>86</sup> Associated Press, “Mass murders shake Alaska.”

the highest rates in the nation, a time when the country was also seeing more violence than ever before.

Homicide researcher Randolph Roph said that while the post-war years were remembered in white America as “a tranquil time when people were not afraid to leave their doors unlocked or to stroll down the street at night,”<sup>87</sup> all this began to change during the next decades. Between 1964 and 1975, he said, the U.S. homicide rate doubled to 9 per 100,000 persons per year and by 1980, the overall homicide rate in the U.S. was 10.7 per 100,000 per year — the highest rate recorded since World War I.<sup>88</sup> He noted the national recession as a possible contributing cause.

At the time of the increase in crime, Alaska’s economy was experiencing an unparalleled upswing. Between 1968 and 1974, Alaska population increased at four times the national rate.<sup>89</sup> State officials braced for an accompanying rise in crime. It was believed the influx of seasonal workers — many of who were young and male and typically more prone to engage in criminal behavior — would cause an increase in the crime rate. In 1976, the Alaska Department of Law’s Criminal Division released a study that was essentially like a weather forecast, predicting the upcoming crime wave. Armed with this knowledge, they hoped to use it to strengthen appropriate state resources — and absorb the negative side affects of unparalleled economic expansion.<sup>90</sup>

Alaska’s extremes — whether they be weather, landscape, or human — were considered by some to blame for most crime. In her study of homicides in Anchorage, researcher Donna Shai described two unique characteristics in Alaska that contributed to high rates of violence. One, she said, was the escapist mentality and ruggedness of many people who chose to move to the state. The other was the awful weather. Extreme weather contributes to crime rates because

---

<sup>87</sup> Roth, Randolph, *American Homicide* (Cambridge, MA: The Belknap Press of Harvard University Press, 2009), 452.

<sup>88</sup> *Ibid.*, 464.

<sup>89</sup> Alaska Department of Law, Criminal Division, “An Impact of Construction of the Trans-Alaska Pipeline on the Administration of Criminal Justice in Alaska” (Juneau: State of Alaska Department of Law Criminal Division, 1976), 17.

<sup>90</sup> *Ibid.* A significant portion of the report focused on locales along the 800-mile pipeline route that would be directly affected by actual pipeline construction.

it creates an atmosphere of high uncertainty. When the weather is terrible — which it often is in the country's only Arctic state — people are often stranded or stuck indoors for long periods of forced inactivity. The constant struggle between these two extremes can be disrupting, and forces people to adapt to a schizophrenic lifestyle for survival.

Lt. George Pollitt of the Alaska State Troopers agreed that the source of most conflict in the state was people's inability to cope with Alaska's contrasts, which he believed fluctuated between "intense urban development and vast wilderness."<sup>91</sup> Pollitt specifically cited Inside-Outsider tensions, which turned from tense to violent when rural residents felt encroached upon by newcomers who threatened their established territory.<sup>92</sup> In other words, it was what academics like Roth would call a contested frontier. The word "frontier" itself is the most overused word in the history of the American West. Since Americans cannot seem to let go of its frontier identity, Alaska is now apparently positioned to forever carry the torch. As recently as 2010, in an article in *National Geographic* about Alaska's famed Bristol Bay salmon fishery, the author sweepingly declared: "All that the American West once was, Alaska still is."<sup>93</sup>

Traditional definitions of a frontier generally encompass human landscapes that exist on the periphery of development and which rely on exploitation of natural resources, namely cattle, gold, and agriculture. The problem with both the word and the concept behind it is that it rarely explains the experience of people who already dwell in a "frontier" and for whom the geographic place is not on the edge of a greater society, but at the very center of it. The difference between these two understandings of the same place has resulted in both scholarly debate and real world tensions — the latter of which has sometimes been articulated by physical conflict.

An important characteristic of a frontier has always been its inherent violence, however, though some have questioned whether this characteristic existed in Alaska to the extent that it did elsewhere. Roth, who analyzed four centuries of global homicide data, noted that: "Historians

---

<sup>91</sup> Associated Press, "Mass murders shake Alaska."

<sup>92</sup> Ibid.

<sup>93</sup> Edwin Dobb, "Alaska's Choice: Salmon or Gold," *National Geographic*, December 2010, accessed July 30, 2014, <http://ngm.nationalgeographic.com/2010/12/bristol-bay/dobb-text>.

have variously attributed the homicide problem to immigrants, the frontier experience, and a patriarchal culture.”<sup>94</sup> But he said these are all “proximate causes” and there is really only one explanation for high homicide rates, especially among unrelated men: political instability.

More specifically, he said, homicide rates could be positively correlated to two “feelings” within any particular community: (1) the level of individuals’ trust for their government to do the right thing; and, (2) the belief most public officials are honest.<sup>95</sup> A lack of trust in government is particularly prevalent on contested frontiers and areas facing civil war and where there is a limited presence of law and order, Roth explained. In these areas, people may take up arms on their own behalf or on behalf of particular groups. The second factor — confidence in government and officials who run it, “plays an important role in determining how men feel about themselves and their society.... what matters is that they feel represented, respected, and empowered.”<sup>96</sup>

Some societies have developed “cultures of violence” or “cultures of honor” where violent resolutions of disputes or use of violence to guard or gain social status are more normative than in other societies. “The antebellum South was notorious for the use of intimidation, threats, and the deployment of real violence to control former slaves,” explained sociologist Katherine Newman who has studied school shootings extensively. The phrase, “culture of honor,” she said, was coined by psychologists Richard Nisbett and Dov Cohen who argued that the origins of the concept lie in rural societies that felt a need to guard against theft of material possessions. “Creating and maintaining [a reputation of toughness] requires credible threats — and actual acts — of violence,” Newman said.<sup>97</sup>

There is perhaps nowhere in the popular imagination tougher than the rugged landscape

---

<sup>94</sup> Roth, *American Homicide*, 10.

<sup>95</sup> *Ibid.*, 17.

<sup>96</sup> *Ibid.*, 20.

<sup>97</sup> Newman et al., *Rampage*, 90.

of Alaska, where extreme weather conditions and endless miles of wilderness test the most well-prepared, the strongest, and the bravest. And in the male-dominated industry of commercial fishing, an attitude of hyper-masculinity — and a “culture of violence” — prevails. A longtime Craig fisherman recently recalled how, in the 1980s, no one ever paid with a denomination smaller than a \$100 bill at the local bars, the expectation being that you ordered rounds and not individual cocktails (whether this — and other remembrances of this era — were “fisherman’s tales” or not remains unproven). Nevertheless, the tale depicts an idea of the past when machismo accompanied camaraderie and celebration in a high stakes lifestyle. It is not uncommon to hear stories that sound to fantastical to be true, and, given the nature of the industry, many of these tales are impossible to verify. In 2014, one Bristol Bay fisherman told a tale about a fishing colleague whose wife, knowing the brutish nature of the man she married, was rumored to have secretly paid his deckhands \$100 for each time her husband struck them. One of them walked away one season with an extra \$2,000 in his pocket. In another example, a female purse seine skipper who fished in Southeast Alaska was said to be so greedy that instead of paying her deckhands at the end of a season, she simply murdered them. The act of commercial fishing is in and of itself violent, with thousands upon thousands of pounds of fish swooped up by nets — sometimes causing fish to vomit up their own stomachs — and slaughtered for human consumption.

*Bellingham Herald* reporter Eric Thomas was dispatched to Prince of Wales Island to observe first-hand the town where seven Bellingham and Blaine, Washington residents had been brutally slaughtered.<sup>98</sup> While many fishermen had seen first-hand Alaska’s fishing towns, many residents of Bellingham and Blaine had not. They had no clue about what Craig and what to think of its inhabitants.

What Thomas found in Craig was a rapidly expanding community, with many of the same amenities found in small towns anywhere in rural America, including restaurants, bars, hotels, a bank, and a beauty shop. And while Craig was “coming of age as a municipality,” he

---

<sup>98</sup> Eric Thomas, “Craig shows signs of leaving violent past behind,” *Bellingham Herald*, January 5, 1986.

noticed that it was still “haunted by the past.” One bar owner who disagreed with the image, had a tough time booking out-of-town bands because no one wanted to play a town with such a wild reputation. Despite this status and the continued disbelief over having had a mass murderer in their midst just a few years prior, people told Thomas that the 1980s were nothing like the era when Craig earned the nickname of “Little Chicago.”

During that time period, locals told Thomas that the only law enforcement in town was the mayor who doubled as a chief of police, but who also apparently had a knack for disappearing every time there was a bar fight. This meant that justice on the island was often “homespun,” Thomas said. Ray Shapley, Craig’s first full-time chief of police, would later describe this kind of vigilante policing as “two-by-four justice,” a metaphor for residents taking up the tools of justice with their own hands and constructing a homemade version of law and order.

Residents told Thomas that this method of justice sometimes resulted in mysterious deaths under unusual circumstances and quick, no-questions-asked burials — such as a body of a man found off the Craig dock “with a caved-in skull and an anchor tied around its neck.” They told him that when a U.S. Marshall was summoned to investigate the suspicious death that was obviously no accident or suicide, he simply wrote in a report that the man “got tangled up and drowned,” hitting his head on the dock on the way down. When a Craig resident questioned whether anyone would believe this clearly contrived narrative, the U.S. Marshall apparently responded: “Sooner or later the guy’s family would find out who did it and take care of it.”<sup>99</sup> Thomas painted a picture of Craig where violent ways of settling disputes was a fact of life. It was a kind of place where it was generally accepted that if you turned up dead, you probably had it coming. And if not, well, then someone would make sure they paid the price.

Beginning in the mid 1960s when the Alaska State Troopers started sending officers to Craig to respond to particularly serious cases, Thomas said, crime in “Little Chicago” began to decline. However, a “culture of violence” had already become so firmly entrenched in Craig, that this accepted way of life, while diminishing, continued on as the dark underbelly of the town’s

---

<sup>99</sup> Thomas, “Craig shows signs of less violence.”

storied past. When the 1970s brought unparalleled economic expansion, a population boom, and never-before-seen wealth, Craig's dark underbelly became exposed once again. "What happens in Craig," chanted one non-Native Washington fisherman who was hesitant to reveal too much about his days there during the early 1980s, "stays in Craig."

For some people who experienced this now-mythological era in Alaska's history as an adult, the story of the *Investor* murders simply filled out a particular tragic narrative of this time as adventure and lawlessness. For others, the memory of the event served to return them to reality after living in an imaginary land of lucrative, high-risk adventure that had, up until then, appeared to come with little consequence. Before the murders happened, people said, there was a rowdy characteristic to fishing culture that was accepted and even celebrated, but was also somewhat neatly contained to wild misadventures and the occasional bar fight or scuffle on the fishing grounds.

The *Investor* murders — and especially the fact that small children and a pregnant woman were among the victims — had a sobering affect on many fishermen, throwing into question commonly held beliefs about community. "It was a violation of fishing culture," said one fisherman who fished in Bristol Bay in the 1980s. The murders exposed a terrifying side of human nature that was all the more frightening because innocent children were involved and no one knew who was responsible. Fishing was still a family business for many, after all — even if it was the kind of family business that operated on the last frontier.



## Chapter 5: A Most Unexpected Season

In the spring of 1982, Mark Coulthurst motored the *Investor* from Washington to Alaska, towing behind it his other boat, the gillnetter *Kimberly Lynn* — as he came to get his share of the bounty from Alaska's \$300 million salmon industry. At the time, luck seemed determined to stay on the side of the ambitious young fisherman. Seiners in Southeast Alaska made the bulk of their income from fishing for salmon beginning in late June or early July as the fish returned to their spawning grounds. That year was forecasted to be a banner salmon fishing year — undoubtedly welcome news to Coulthurst who was now faced with paying off the hefty new mortgage he'd acquired with the *Investor* purchase. Irene Coulthurst was also pregnant with their third child and both knew that the 1982 season would likely be one of their last together for some time because she would have to stay home to take care of a new baby.

Because Coulthurst arrived in Alaska in 1982 with both a gillnet boat and a purse seiner, he had more opportunities open to go after different species in different regions. The purse seiners, the gillnetters, and the trollers, like the Army, the Navy and the Marines, are all fighting the same war, though the methods and technology they deploy are distinctly different. All use different styles of nets or lines to harvest fish, have crews of various sizes, target certain species of fish that inhabit particular areas of the ocean, and are managed by separate rules. Despite the differences, there is also significant crossover and collaboration and, at times, conflict.

Thanks to his two vessels Coulthurst had lined up a full season of fishing, starting with the herring fishery opening near Sitka, followed by a brief stint in Bristol Bay teaching another fisherman how to seine herring, and then returning to Southeast to catch Dungeness crabs near Pelican.<sup>100</sup> At some point before the salmon season opened on July 4, Coulthurst and the *Investor* made a run all the way back to Seattle to repair a hatch that was not closing over the fish hold. Repairs such as this were not entirely uncommon with new boats, but still, it was a major setback.

---

<sup>100</sup> Roy Tussing, 1986 Ketchikan trial transcript, *Alaska v. Peel*, n.p.

A fisherman's success depended on three components working in perfect harmony: the number of fish available to catch, the size of the competition, and the price the market was willing to pay. Coulthurst's salmon fishing season ended up being a decent one in terms of numbers of fish caught.

In most every other way however, the season would prove to be disastrous to the entire industry. "For many of us who fished Southeast this year, it will not be a season fondly recalled," wrote Bruce Buls for the fishing journal, *National Fisherman* in December 1982. He summarized the extensive problems fishermen faced that season: "Early on, the weather was bad, and the fishing, worse. In some cases, the price received was a third as the previous season. A forecasted record-high return of pink salmon never materialized."<sup>101</sup>

By far, the most significant event to affect Alaskan fisherman that year had been unraveling on the other side of the globe since February 1982, though the impact was not fully realized for months. On February 17, a Belgian man, 27-year-old L. Eric Mathay, died in Brussels after eating pate made from a can of pink salmon contaminated with botulism.<sup>102</sup> Investigators traced the origins of the botulism to Ketchikan's Nesco Fidalgo cannery and, specifically, to a machine that was mistakenly making small punctures in cans, allowing for the deadly toxin to grow.

Beginning the day after Mathay's death, the U.S. Food and Drug Administration (FDA) officials began recalling salmon packed not only by the Ketchikan cannery, but several additional Alaska canneries including those as far off as Bristol Bay, making it the second largest food recall in U.S. history. The national and international market for Alaskan pink salmon evaporated. Warehouses remained crowded with supplies of canned salmon that had been packed in 1980 and 1981, but there was no market for the product. Without profits from the sale of these cans, canners would not have the cash needed to buy salmon from fishermen in 1982, explained one *New York Times* article detailing the crisis.<sup>103</sup>

---

<sup>101</sup> Bruce Buls, "Murder, arson aboard Alaska boat remain a puzzle," *National Fisherman*, December 1982.

<sup>102</sup> Mathay's wife, Michelle, 26, was also hospitalized, but she survived.

<sup>103</sup> Marian Burros, "Trying to Solve the Botulism Mystery," *New York Times*, April 28, 1982, accessed July 4, 2014 at <http://www.nytimes.com/1982/04/28/garden/trying-to-solve-the-botulism-mystery.html>.



**Figure 14: *Investor* skipper Mark Coulthurst working on board an unidentified fishing vessel. Photo courtesy of *Alaska v. Peel* case court archives.**

Alaska's seafood industry representatives desperately sought out a new market for the tainted brand, seeking opportunities in non-English-speaking countries like South Korea that had not read the terrible publicity. In the meantime, several small fish buying companies went bankrupt before the fishing season was even over. Sealaska, the Alaska Native Regional Corporation that owned the cannery that packed the poisoned can, was on the brink of bankruptcy, replacing their CEO with a new leader, Byron Mallott. In 1982, "Sealaska suffered a staggering \$28 million loss, largely due to a botulism scare," explained the corporation's website. Overall, the tanked market was considered to be the most significant recession in the salmon industry since World War II when many of canneries were shuttered.

Coulthurst mainly sold his fish to Holbeck Fish Company, a small fish buying company that had ties to the company that built the *Investor*, Delta Marine. As part of a creative financing agreement to help pay for the *Investor*, Coulthurst had agreed to sell as much of his salmon as he

could to Holbeck. By July 1982, however, Holbeck was bankrupt and had no money to pay for salmon that had been delivered all season to its tenders.

After the *Investor* crew was murdered in September that year, the Coulthurst family had to file a lawsuit to recoup payment for the *Investor*'s fish caught that year. Many people have wondered whether Coulthurst may have been worried enough about making his boat payments that he might have engaged in another form of creative financing — drug smuggling. In recalling the case more than three decades later, Kevin Callahan, one of the lawyers that represented John Peel (the man the state later arrested and tried for the murders), explained that “Coulthurst either turned to drugs or somebody thought he did.”<sup>104</sup>

The idea that a highly-leveraged fisherman such as Coulthurst may have been involved in smuggling drugs was not so far-fetched. By the late 1980s, drugs were so commonplace in the fishing industry that a popular national fishing journal declared that “the Coast Guard has discovered what more than a few fishermen already knew: there’s a lot more money in drug smuggling than fishing.”<sup>105</sup> And some of the cocaine that arrived in Alaska was hauled up on fishing boats.

Officials believed that cocaine came with the increasing — and largely transient — population of the state that arrived to log, fish, and work construction jobs on the 800-mile oil pipeline built from oil-rich Prudhoe Bay to Valdez. In 1982, it was estimated that Alaskans would spend more than \$50 million to “boost their spirits with coke,” said journalist Dave Carpenter in an article about the growing drug problem.<sup>106</sup> As part of an effort to better understand the drug problem in coastal fishing communities, officials convened a three-day meeting in Unalaska in 1982 during which 37 people testified about the town’s drug problem. From that testimony,

---

<sup>104</sup> Kevin Callahan, telephone interview with author, September 19, 2014.

<sup>105</sup> M.L. Edwards, “Kicking the drug habit,” *National Fisherman*, May 1988, 6. By the end of the 1980s, and with support from the Reagan administration, the crackdown on drugs had become more sophisticated and officials were given more money to track down and prosecute drug dealers and users. For example, in 1980, just seven percent of the Coast Guard’s operating budget went to drug work, but by 1988, it had more than tripled. In 1991, federal policy further attempted to address the problems of drug use aboard commercial fishing vessels by implementing a random drug testing policy.

<sup>106</sup> M.L. Edwards, “Kicking the drug habit,” *National Fisherman*, May 1988, 6.

officials estimated that cocaine use in the town was ten times the state's average.<sup>107</sup>

Drugs were rampant in the fishing industry, especially cocaine, in part because it was used to help stay awake to work the long hours the job demanded. One common method of fishing was "derby-style," a Wild West type of fishing that created a frenzied and hyper-competitive atmosphere. In a derby-opening fishing boats competed with one another to harvest fish during an "open" window of opportunity. The high incidence of accidents and deaths would later force fish management authorities to curtail the free-for-all. Today, a rationalization process or "quota system" has replaced most derby style fisheries in Alaska. In this type of fishing, quotas are allocated to each vessel to catch at their leisure during a season, which has made fishing less frenetic, slower and safer.

When fishermen were in port during fishing closures, they would pack the local bars and party on board fishing vessels docked at harbors. Spike Walker, author of a series of books about the dangerous Bering Sea crab fishery and who was later a consultant for the wildly popular reality television series, *Deadliest Catch*, said that there was a certain uneasy tension that came with the fisherman's lifestyle that could only be described as "life on the edge." He said: "You could feel it, like a tension that needed venting, a tightness in the chest that demanded release."<sup>108</sup>

Fishermen were inherently gamblers, he explained, and to relieve the pressure, many turned to drugs and alcohol. During one evening spent at a bar in Unalaska, Walker said he "in short order downed six consecutive shot glasses full of tequila."<sup>109</sup> The bathroom was choked with people smoking pot, he remembered, and it was there that he was offered a chance to buy cocaine. Of course, he said he refused. But not everyone agreed that cocaine was as prevalent as memories recalled. One fisherman said that coke was "mythical, everyone talks about it but we never had it. It was never much of a priority."

---

107 Ibid.

108 Spike Walker, *Working on the Edge: Surviving In the World's Most Dangerous Profession: King Crab Fishing on Alaska's High Seas* (New York: St. Martin's Griffin 1991), 64.  
1991.

109 Ibid.

Given the enormity of the state, it was difficult and costly for Alaska law enforcement to monitor the increasing drug activity. In Southeast Alaska, one bust could cost local law enforcement \$100,000 — money that was not available in the sparsely populated region.<sup>110</sup> In the meantime, entrepreneurial transient workers took advantage of the opportunity. One Washington fisherman recalled chartering a Learjet from Seattle to Dutch Harbor simply to haul up drugs to sell during the 1980s. Another Washington fisherman recalled stepping on board tenders operated by fly-by-the-night fish buying companies and stumbling over suitcases of cocaine and cash. In 1986, a California businessman and six others were arrested for being part of an interstate cocaine ring that was believed to have done \$6.5 million worth of business from northern California to Alaska.

Perhaps because cocaine was such a common part of the fishing landscape, one of the most persistent rumors almost from the start about what happened to the *Investor* crew was that the killings were a result of a “drug deal gone bad.” Theories placed Coulthurst both at the middle of a drug ring and on the periphery. Perhaps he had simply been running an errand for a more prominent dealer and got caught in a crossfire. On a recent summer day in Craig, one longtime fisherman recalled how you always knew the *Investor* was in town because cocaine was suddenly readily available, but he had never actually bought cocaine from Coulthurst or crew — nor did he know of anyone who had. In the book *Angels to Ashes*, McGuire proposed a theory that Peel had led the killers to the *Investor*, seeking payment for 12 pounds of cocaine stolen by a member of Coulthurst’s crew, but provided no proof to substantiate this claim.

Despite such rumors and legends of drug dealings, police ruled out any drug smuggling activities by the *Investor* after interviews with family and colleagues who said there was no way Coulthurst would have risked his family by engaging in that kind of dangerous side business. “Knowing Mark as well as I did,” said Paul Odegaard, a longtime Alaska fisherman and family friend, “I couldn’t even imagine him doing anything like that.” With a few exceptions, many other people have expressed similar sentiments and Coulthurst’s former crewmembers have all

---

<sup>110</sup> Edwards, 1988, 7.



denied knowing whether Coulthurst was involved in any drug smuggling activities.

A drug-related robbery was also ruled out since seiners rarely carry much cash on board (they instead get paid at the end of each season). “There was never any indication that anybody on that boat made enemies or that anybody was resentful,” said LeRoy Flammang, the 20-year Border Patrol veteran and *Investor* crewman who had left his job as cook only a month before the murders. “It was the kind of boat that inspired a little envy, but what could be gained by killing all the people and burning it up?”<sup>111</sup>

---

<sup>111</sup> McCall, “A Bloody, Baffling Mass Murder Shakes the Peaceful Spirit of a Small Town in Washington.”

## PART II: THE SEARCH FOR A KILLER

### Chapter 6: Mystery of the Skiff Driver

Alaska State Troopers searched for leads, but the problems they faced were daunting. They had no idea how many boats or people were in town that weekend, and no way to track them down. They did not have all the bodies, they did not know the time of victims' deaths, they did not have a murder weapon, and perhaps most importantly — they had no physical evidence. The crime scene had been demolished in a fire, doused in seawater, and dumped into the ocean. Instead, they had to rely on the hope that witnesses' memories would lead them to a killer.

Investigators' most promising lead was an unknown man wearing a baseball cap who had been spotted by several witnesses driving the *Investor's* red and grey fiberglass skiff away from the murder scene the day of the fire. A skiff is a small craft utilized by all purse seiners as part of fishing operations. Not only is it rarely separated from the main vessel, but fishermen were as familiar with local skiffs as if they were neighbors' cars. While fishing, the skiff driver is in charge of expertly maneuvering the net into position and closing it later to encircle the fish before the full net is hoisted on board. Because of the level of skill involved, this person is typically one of the more experienced members of the crew. After Roy Tussing quit the *Investor* at the end of August, Dean Moon was promoted to skiff man — and got a two percent raise.

Local media reported some of these sightings, most of which were essentially no more than fragments of a mysterious puzzle piece. According to the *Ketchikan Daily News* “sources say Craig Fisheries employees claim to have seen the *Investor's* skiff leave the boat, return, and then leave again, just before smoke was seen coming from the vessel.”<sup>112</sup> A few fishermen reported seeing the skiff tied up to the *Investor* when it was anchored near Fish Egg Island, but it did not trigger any alarm. It was normal to see a skiff tied to a fishing vessel. The *Investor* at anchor was not unusual either — those who noticed it figured the family and crew had perhaps

---

<sup>112</sup> “Four dead in shipboard fire at Craig,” *Ketchikan Daily News*, September 8, 1982.

decided to go for a picnic on a nearby island.<sup>113</sup>

At first, witnesses who crossed paths with the skiff driver thought the man driving the skiff was rushing for help, but when he later disappeared without a trace, investigators quickly surmised that he was probably the killer. By the time police arrived to investigate, the man had vanished into the Craig milieu. Trooper Chuck Miller said that it was as if the skiff driver had “slipped into a time warp at the end of the dock.”<sup>114</sup> For the bewildered detectives however, hearing about the sightings of the mysterious skiff operator was a welcome clue, in the early days of the investigation. “Now we have a person to look for,” Sgt. Stogsdill said.<sup>115</sup>

In an interview at a Ketchikan café more than 30 years after the murders, Judge Thomas Schulz, who oversaw the trial proceedings of the case again Peel, observed that one of the major mistakes investigators made in the early part of the investigation was simple: “they talked to the wrong people.”<sup>116</sup>

None of the individuals police interviewed about the skiff driver recognized him as someone they knew, but those who had gotten a close view of the man almost all provided a general physical description of a scruffy-looking, clean-shaven, white male wearing a baseball cap and glasses. That the skiff driver was not familiar to the witnesses who encountered him was not surprising, as hundreds of out of town fishermen were crawling around Craig that week and the description that these witnesses provided could have fit the physical profile of every other man on dock. Yet, a few key details kept resurfacing: the man was about five-foot-ten, late teens or early twenties, weighed about 150 to 170 pounds, had dark blonde or brown hair, wore a hoodie or a red and black plaid jacket, and baseball cap. He may have also had severe acne and was wearing square-shaped glasses.

---

<sup>113</sup> Brian Polinkus, interview by author, March 2014.

<sup>114</sup> Dave Kiffer, In the Ketchikan Daily news series.... Also in the “The Investor Murders: A year later, the same questions remain unanswered: Who and why?” National Fisherman January 1984.

<sup>115</sup> Staff, “Four dead in shipboard fire at Craig.”

<sup>116</sup> Personal communication with Tom Schulz, October 2012 in Ketchikan, AK.

## *The Sightings*

Bruce Anderson and Jan Kittleson had arrived in Craig on their troller, the *Casino*, sometime over Labor Day weekend because they'd been having a problem with their boat's freezer system. While waiting for a part to get replaced, they had used the Phillips Cold Storage facility in Craig to keep their haul of shrimp frozen. Anderson and Kittleson had both been fishing for several years, going after mostly shrimp, king salmon, and halibut. Anderson, 31, had taught vocational education in Pelican, a tiny fishing town perched at the mouth of Lisianki Inlet north of Prince of Wales Island, but had decided to quit that job and fish while it was still a booming industry. Kittleson, 28, was from Sitka and had been fishing with Anderson since 1979.

By Tuesday afternoon, Kittleson and Anderson's freezer system was fixed and they were at Phillips Cold Storage loading their shrimp back onto the *Casino* before returning to the fishing grounds. They were closely monitoring the clock because after consulting tide charts, they learned that if they wanted to get to an area they wanted to fish the following day, they would only have a 15-minute window in which to cross a shallow channel that would be impassable at low tide.

They finished loading their frozen catch just after 4 p.m. Kittleson started to loosen the lines that secured the *Casino* to the dock while Anderson steered from a perch in the wheelhouse. He looked out into the harbor and noticed a plume of black smoke rising in the clear sky near Fish Egg Island, about a mile away. He initially thought that the smoke was engine exhaust, which was common when a vessel was getting underway, but something about it seemed suspicious. Anderson grabbed a pair of binoculars and looked again. "There was just too much smoke, it didn't go away," he said.<sup>117</sup>

Kittleson finished untying the *Casino's* lines from the dock and they immediately headed full throttle toward the burning boat to see if help was needed. Anderson picked up the microphone of the VHF radio and called "Mayday." This was the first Mayday call heard by the U.S. Coast Guard, but the paperwork documenting the precise time of this call was lost.

---

<sup>117</sup> Bruce Anderson, 1986, Ketchikan trial transcript, *Alaska v. Peel*, n.p.



**Figure 15: A view finger docks at the cold storage facility in Craig, AK. Photo courtesy of Alaska State Troopers.**

As they neared the burning boat, Kittleson could see the vessel clear enough to recognize it as the *Investor*. The couple was familiar with the *Investor* —Anderson had attended its inauguration celebration before Coulthurst started fishing in Blaine earlier that spring and that past winter Anderson and Kittleson had tied their boat next to Coulthurst’s boat in Blaine. “We knew them by first name and we had dinner with them a couple times,” Kittleson recalled.<sup>118</sup>

At about that time, a purse seiner’s skiff was coming towards them at full bore. Anderson immediately recognized it as the red and grey skiff that belonged Mark Coulthurst. At first, Anderson thought that the person driving the skiff was Roy Tussing, the friendly engineer of the *Investor*, but as he got closer, he realized it was no one he knew. This man had a “California-surf-

---

<sup>118</sup> Jan Kittleson, 1984 hearing of the Grand Jury, *Alaska v. Peel*, 150.





**Figure 16: An artist’s composite drawing of the man seen driving the *Investor’s* skiff based on a physical description provided by a witness. Photo courtesy of Alaska State Troopers.**

er-board sort of look, kind of a tan, and hair a little longer than mine,” Anderson said.<sup>119</sup>

Kittleson stood on the bow, waving her arms and yelling at the man to stop, but the skiff driver looked like he was trying to veer away from the *Casino*. Anderson reckoned the man was panicking on his way to town to get help, “so I turned my boat directly in front of him so he had to stop,” Anderson said.<sup>120</sup> The skiff stopped and simultaneously pivoted toward the *Casino*, about 15 feet away. It was the kind of skilled maneuver only an expert skiff driver would have

---

<sup>119</sup> Bruce Anderson, 1984 hearing of the Grand Jury, *Alaska v. Peel*, No. IKE-S84-1010CR, Juneau: Alaska State Archives, 1986), n.p.

<sup>120</sup> Ibid.



been able to accomplish.

“Are there people on the boat?” Kittleson shouted. She had to repeat her question two or three times before the man in the skiff responded. Anderson came out of the wheelhouse to hear his answer.

“Yes, there are people on the boat,” the man said, looking at Kittleson with “very wide eyes” that made him look like he was surprised. He then sped off toward shore. Kittleson assumed he was going for help. Anderson raced back inside the cabin to the wheel, put the boat in gear again, and called the Coast Guard again — this time to alert them of the news that there were people on board. By the time they arrived at the spot where the *Investor* was burning, the wheelhouse was completely engulfed by fire and flames were spreading toward the back deck. For the next several hours, Kittleson and Anderson were busy helping to douse the flames.

By the time they went to bed that night, Anderson and Kittleson had learned that bodies had been found on the boat, but equally troubling was knowing they had intercepted someone who had obviously come from that boat — someone who knew that they had seen him racing away from the crime scene. Would that man come after them?

“We locked ourselves in the boat and we were real scared,” Anderson said.

The following morning, on Wednesday, September 8, troopers visited them at their boat, the *Casino*, questioning them for a half hour. Troopers asked if they thought they would be able to identify the man again if they saw him.

Both said they could.

Charles “Fat Charlie” Clark’s job’s at Phillips Cold Storage on Labor Day weekend in 1982 was to operate the forklift and to supply ice to the hundreds of fishing boats that passed through Craig during the summer months, but what he really wanted was to be out fishing instead. He did get a chance to meet plenty of fishermen, however, loading ice into their fish holds to keep catches cool while out at sea. Clark, who had turned 34 that year, was always trying to snag a job on a fishing boat. “Anytime there was... a closure,” he said, “I was over at

the docks trying to get on boats. I wanted to be fishing, you know. I was always a dollar short, just like my three marriages.”<sup>121</sup>

When the black plume of smoke was spotted from town, Clark and a truck driver who was new to town, armed themselves with fire extinguishers and jumped in the cold storage facility’s skiff, maneuvering out into the harbor to help the *Investor*. They saw another skiff approaching rapidly, passing them about 30 to 40 feet away, and sending a large wake rippling in their direction. Clark recalled that they had to steer the cold storage skiff to drive head on into the wake of the skiff to avoid tipping their small craft. They did not make it any further — water from the wake flooded the engine and stalled their rescue effort. The would-be rescuers ended up returning to the cold storage facility.

Paul Page and Sue Domenowske lived near Hollis, a town on the east side of Prince of Wales Island. They had driven across the island to Craig on Tuesday, September 7, to either get ice, take showers, or to pick up lumber to work on their house — Domenowske later could not recall exactly which task they had to accomplish that day.<sup>122</sup> Page and Domenowske had just pulled into a parking lot near the Phillips Cold Storage when some of the employees that worked there “came running out with fire extinguishers yelling about a boat being on fire,” Page remembered. They followed them down the dock to help load the fire extinguishers onto a skiff. “I could see the boat burning across the bay from where we were,” he said.

As the employees raced off toward the burning boat, it was swamped by the wake of a inbound seine skiff barreling directly at him on the dock. “About five feet from the dock, he put it into reverse to slow the skiff down,” Page said. Domenowske, who was standing about ten or 12 feet away from Page, remembered the skiff’s bow hitting the dock head on, “It didn’t come in alongside like you’d normally bring a boat in.” When the skiff smashed into it, the dock jerked under her feet and startled her.

---

<sup>121</sup> John Straley and Phil Weidner interview with Charles Clark, February 3, 1988 (John Straley unpublished files).

<sup>122</sup> Susan Domenoweske, 1984 hearing of the Grand Jury, *Alaska v. Peel*, n.p.

The man jumped out of the skiff, and, using a rope attached to the bow, quickly and loosely lashed it to the dock. Domenowske remembered that the man was young, maybe between 19 and 21 years old and had stringy-looking brown hair that fell about one and a half to two inches below his ears. He wore, glasses, a blue or blue-grey baseball cap, jeans, a T-shirt, and a wool fisherman's jacket. Page remembered the man was "flushed, a little bit of flush in the cheek, but other than that, very pale."

The man carried with him under his arm a light-colored box that resembled a large shoe or boot box. Page tried to ask the man a couple of questions, but the man "didn't look directly at me, mostly at the ground and shuffled quite a bit," he said. He "kept repeating that he was in a hurry." He did ask him if he was from the boat that was burning, "and he said no." And then the man asked him if anyone had called the Coast Guard, but Page did not know.

Domenowske said she tried to ask him if anybody was on board the burning vessel. "I thought he was in shock or something because he was ashen colored, and he talked really measuredly and kind of slow ... he said he had to go, he was in a hurry, but he still kind of just stood there."

The man told them that, if they wanted, they could take the skiff.

"Neither Paul or I are that great at operating a skiff so we told him no, we didn't want to take his skiff to go out to the fire," she said. The man said he had to leave to go call the Coast Guard, which upset Domenowske.

"No one's called the Coast Guard yet?" she exclaimed. But he just walked away without responding.

Investigators also soon learned that a man they presumed was the skiff driver was seen Monday or Tuesday at the gas station in Craig purchasing a jug of fuel, providing an additional clue as to how the *Investor* murders had unfolded between Sunday night and Tuesday afternoon. The new information also gave police two additional eyewitnesses who could perhaps identify their killer: Jim Robinson, the gas station's owner who sold the fuel to the man and, Richard

Olmstead, a local fishing charter boat owner who witnessed the exchange.

When investigators interviewed Robinson, he told them that he recalled a short and stocky man buying gas in a jug on either Monday or Tuesday.<sup>123</sup> Olmstead, a construction contractor who lived directly above the gas station, also witnessed the man purchasing the jug of gas. Olmstead was passing the time in the gas station chatting with Robinson. “We was just standing around there talking, and people coming in and out,” Olmstead said, “and this fellow showed up with one of those little two-and-a half gallon Jerry Jugs... and he did a lot of explaining why he needed some gas.” Robinson said he did not think much about it at the time, but noticed the man, who arrived and departed on foot and was wearing a baseball hat, was “very hyper and acted like he was very nervous, like possibly his car was parked in the middle of the street or something and he was having to get gas back to it in a hurry.”<sup>124</sup>

### ***The Hill Bar “Show-Up”***

That afternoon, Jerry Mackie, the young VPSO in Craig, told his superiors that he had a bad “gut feeling” about one particular individual who was he thought was acting nervous and drinking at the Hill Bar, a local bar Mackie’s mother owned. Mackie’s unsettling feeling was enough to warrant a follow-up as investigators knew that they had limited time for witnesses to ID the man they had seen driving the skiff.

Captain Kolivosky concocted a plan to conduct a “show-up,” a common suspect identification police strategy. The plan was for Anderson and Kittleson to casually and individually stroll into the Hill Bar, pass by the bar and look for anyone who might resemble the person they had seen driving the skiff. Anderson entered the bar first while Kittleson stood at a pay telephone outside, pretending she was making a phone call. Anderson walked into the bar. After he eventually came out and left, Kittleson walked in. Neither of them saw anyone who resembled the person they’d seen operating the skiff.

---

<sup>123</sup> Wohlforth, Charles, “A Man of Several Identities,” *Anchorage Daily News*, August 2, 1991.

<sup>124</sup> Richard Olmstead, 1984 hearing of the Grand Jury, *Alaska v. Peel*, 88.

The man in question at the Hill Bar was *Libby 8* crewman John Peel, who was enjoying a beer while waiting to board his Tyee Airlines flight Ketchikan. Peel had a medium build, dirty blonde hair that fell below his ears, and nearly always wore a blue baseball hat with marijuana leaf emblem on the front.

Soon after Kittleson and Anderson went into the bar and failed to see the skiff driver, Kolivosky went back in to talk to Peel. He asked the to see Peel's driver's license. Peel showed it to him and told him he used to work for Mark Coulthurst, the murdered skipper.

Kolivosky learned Clark had also had seen the mysterious skiff driver and asked him to accompany him around Craig, searching for the person. Unlike the transient fishermen that passed through Craig, Clark's job meant that he interacted with hundreds of fishermen, or "he knew about a thousand people in Craig, but only two names."<sup>125</sup> While walking down the dock near the cold storage facility, Kolivosky and Clark passed by Peel who had apparently left the Hill Bar and come down to the docks.

Kolivosky pointed out Peel to Clark and ask if the he resembled the person driving the skiff.

"No, that's John Peel, I know him," Clark responded. He had loaded ice onto the *Libby 8*, the boat Peel worked on, probably 30 times that summer, he said.

Kolivosky noted the exchange in his notebook and Peel was scratched off the list of suspects.<sup>126</sup>

On the night of Saturday, September 11, 1982, the investigation teams in Craig convened a meeting at Trooper Anderson's house to compare notes and share ideas about next steps. They started with what they knew. They believed that their likely killer was in Craig Sunday, Monday, and Tuesday, and that he was familiar with the operation of seine boats and was a good skiff operator. There had been eight people on board the *Investor*. Four bodies were positively identi-

---

<sup>125</sup> John Straley interview with Charles Clark, February 3, 1988, tape recording (John Straley unpublished files).

<sup>126</sup> Peel II trial.

fied as victims, with one additional victim expected to be identified shortly. There was no sign of little Johnny Coulthurst, but it was believed the heat might have consumed his body. That meant two teenage crewmen were still missing — Dean Moon and Chris Heyman.

Could one of them be the killer?

There was no shortage of rumors about what may have happened on the *Investor*. “There was 500 people in town who said ‘I know who did it,’” recalled one person who was in Craig at the time of the murders.<sup>127</sup> One of the most potent and searing rumors — especially for the Coulthurst family — that involved the possibility that Coulthurst had perhaps been part of a cocaine smuggling operation, yet other persistent rumors included ones that said the killings were perpetrated by Alaska Native fishermen angered by the arrogant overreach into their traditional fishing areas by non-Native Outsider fishermen like Coulthurst. Perhaps the most fantastic rumor circling was that after murdering the *Investor* crew, the killers had been whisked away from the *Investor* by floatplane, the clandestine flight shrouded by fog in the harbor.

From the beginning, however, investigators focused on a simple scenario. They believed the killer was known to the *Investor* crew, that he was a fisherman who had been on the docks that weekend, and that Mark Coulthurst had been the primary target. Sgt. Stogsdill said the fact that Coulthurst’s body had been found shot in the face multiple times was evidence that the killer had been enraged at the victim. The number of bullet wounds was “overkill” and “unnecessary,” he said. “That’s not a type of crime committed by an armed robber or some wandering crazy. This is somebody who knew the people they were killing.”<sup>128</sup>

---

<sup>127</sup> Gino Cardenas, 1984 hearing of the Grand Jury, *Alaska v. Peel*, 9-21-84, 104.

<sup>128</sup> Stogsdill, 1984 hearing of the Grand Jury, *Alaska v. Peel*, n.p.



## Chapter 7: Dead-End Leads

During the first year after the murders, police interviewed hundreds of people who had been in Southeast Alaska over Labor Day weekend, talked to dozens of friends and family members of the victims, followed a slew of leads that took them around the Pacific Northwest and to Canada and the Midwest. They mailed fliers to Alaska's entire fleet of fishermen pleading for information, and processed the limited amount of physical evidence that was left after the fire destroyed the *Investor*, all trying to make sense of a mystery that eluded them. Internal personnel changes occurred, causing disruptions in the investigation. All the while, pressure — internal and external — continued to mount to solve the case.

### *Crewman-As-Murderer Theory*

The intense search for the killer continued for the next year as police hunted for new clues. In addition to numerous interviews conducted in the fishing towns of Southeast Alaska and Washington state, they searched for any possible trail the killer had left behind. They secured records from Tyee and Alaska Airlines and the Hollis-Ketchikan ferry to see who had come and gone from the island after the murders. Trooper Anderson canvassed the island with composite drawings of the mystery skiff driver to see if the person looked familiar to anyone. They sent out a flyer with a questionnaire to thousands of Limited Entry Permit holders and received back several hundred. They searched gun purchase records at stores in Petersburg, Craig, and Ketchikan, including J-T Brown General Store in Craig and obtained records of phone calls made from the Laundromat and from pay phones outside the local bars. Professional deep-sea divers were brought in to search the area at Ben's Cove where the *Investor* burned, as well as search the waters around the docks at North Cove and cold storage facility.<sup>129</sup>

The inability to identify all the victims on the *Investor* was a major stumbling block for investigators. Of the eight individuals on board, only five had been positively identified: Jerome Keown, Mike Stewart and Mark, Irene, and Kimberly Coulthurst. In addition troopers found

---

<sup>129</sup> Stogsdill testimony, Peel II.

during the debriement process a small collection of burned bone fragments that weighed five to seven pounds. This could be the remains of the two missing crewmen, Chris Heyman and Dean Moon. The fragments were found in the area where the crewmembers slept and it was possible that both had been in their bunks when they were killed.<sup>130</sup> If the fragments of bones belonged to only one crewman, however, one person was still missing. Had his body been entirely consumed by the intense heat of a fiberglass-fueled fire? This was the most likely fate of little four-year-old John Coulthurst, and troopers had reason to believe that this could happen to a grown man as well, given the intensity of the flames.

Investigators initially could not rule out that perhaps Heyman or Moon had been the killer and had managed to escape, because the evidence suggested the perpetrator was an experienced seiner who knew the victims. A stranger might have left the bodies on the boat at the dock, investigators mused, but “if you’re a crewman, it’s almost imperative that you destroy the evidence,” Sgt. Chuck Miller told a reporter in September 1983, because otherwise “if I’m a crewman and they start counting heads and I’m not there, well...”<sup>131</sup>

Troopers dismissed Chris Heyman as a suspect. Heyman had the fewest ties to anyone on board; he was a California kid on his first fishing trip who got the job because his dad was Mark Coulthurst’s business colleague. So the suspicions of the missing crewman fell on high school star athlete Dean Moon, who had fished with Coulthurst longer.

Dean Moon’s older brother Jay was supposed to have replaced Tussing, but he could not make the trip, so Dean Moon asked Jerome Keown to come instead. The only evidence ever found to substantiate the Moon killer theory surfaced a year-and-a-half later in February 1984, when a fisherman who knew Dean Moon reported seeing him in San Francisco. Troopers investigated the lead, but never found any trace of Moon. Moon’s mother blamed the preoccupation with this “crewman-as-suspect” theory for the reason the case remained unsolved for so long.

---

<sup>130</sup> Mike Stewart’s remains were also found in the bunk area.

<sup>131</sup> “Fishing Season Renews Hunt for Clues to Alaska Murders,” *New York Times*, September 5, 1983, accessed August 9, 2014, <http://www.nytimes.com/1983/09/05/us/fishing-season-renews-hunt-for-clues-to-alaska-murders.html>.

Investigators admitted that neither of the missing crewmembers fit the profile of a mass murderer.

### ***Empty Memories***

Investigators concentrated much of their efforts at reconstructing the whereabouts of the five boats tied up near the *Investor* at the North Cove docks between Sunday, September 4, 1982 and Wednesday, September 8, 1982. These boats included the *Libby 8*, *Cindy Sue*, *Sheila Ryan*, *Decade*, and *Defiant*. The Demmert father-son duo operated the *Libby 8* and the *Cindy Sue*, with crews were made up of a combination of Bellingham and Craig/Klawock residents. Petersburg fishermen, Clyde Curry, Eric Rosvold, and Jeff Pfundt, (all about the same age as Coulthurst) skippered the *Decade*, *Defiant*, and *Sheila Ryan*, respectively. They each had professional, friendly relationships on the fishing grounds with Coulthurst, but they were more familiar to each other than anyone on the *Investor* crew.

Troopers interviewed Jeff Pfundt for the first time on September 14, 1982 about his memory of the events in Craig after he had returned to Petersburg. When he was later asked about how he felt during this interview, he described a feeling of frustration that something was missing from his memory. “They were asking me all the questions and [I was] trying to remember anything that might have some bearing on the case,” he said. “And I remember leaving there and having a feeling that there was something. You know, I didn’t know what it was. But I did have that – have a feeling that there was something else that I might know.”<sup>132</sup> In the weeks following the murders, Pfundt was consumed with fear. He became obsessive about trying to remember anything from those days that could help investigators. He said he could not shake a feeling that he was not remembering everything that night.

One afternoon not long after the murders, he was sitting in an easy chair in his living room in Petersburg sort of half dozing. Across the bay from his home, there was a log dump where expensive equipment was sometimes stored and a watchman had been hired to look after the place. Sometimes, the watchman liked to practice shooting targets and the shots could be

---

132 Jeffrey Pfundt, 1986 Ketchikan trial transcript, *Alaska v. Peel*, n.p.

heard at Jeff's house. During his nap, the watchman was target shooting and the sound startled Jeff, triggering what he believed to be a memory about what had happened in the early morning hours of September 6. "I started remembering things," he said. He said he had awoken that morning to the faint sound of voices raised as if in an argument. "And I wasn't sure that I heard anything. It was so faint... And my mind was saying, 'you should do something. You should inquire, find out about this,'" he said. "And then I believe I heard shots. Six or eight shots. And then I believe I heard a scream and then more shots. It went on for quite a while."

Jeff then remembered that he either got up out of bed or just raised the top half his body to a sitting position in his bunk. He was in his cabin alone, but the crew was sleeping nearby around the corner. "Is anybody awake?" he said he asked, not in a loud voice, but loud enough to see if anybody else was awake and had heard the voices and gunshots. No one responded. "And I believe I got up and I think the door was open. I think I closed it and locked it," he said.<sup>133</sup>

Pfundt told his wife that he was remembering details from early morning hours of September 6, but she said it probably was just a dream. When troopers mailed fliers to all commercial fishing permit holders in Alaska pleading for anyone with information to come forward, Pfundt put it on a desk in his house. The flier troubled him, he said, serving as a constant reminder of his obligation to share his story. But Jeff struggled with believing that the memory that appeared to be so clear that afternoon in the easy chair could have just been a dream. If it was not — and was instead real — he knew he would need to tell someone in case it could help the investigation and the search for the killer.

Pfundt decided in November 1982 to tell investigators about his afternoon easy chair memory, overcome by a sense of duty to the victims. By the time he called, Jeff said he absolutely believed that what he remembered in the easy chair that afternoon was the truth of what happened. The only problem with the story, as he would later explain, was that his actions seemed inconsistent with the person he understood himself to be. He said:

---

<sup>133</sup> Ibid.

It seems that I would have done something. It seems that I would have, you know, that I should have woke the crew up or done something when I hear these things. That makes me think, well, maybe it was a dream... I also have other feelings that maybe I didn't want to get involved. That I knew something horrible was happening and just didn't want to get involved. That's – I don't know. But that's a big question in my mind.<sup>134</sup>

People want to feel like they would be the kind of person who would, in an emergency, respond in a way that would contribute. In an ideal scenario, they would be the hero; at the very least, they would respond in a way that was somehow brave or kind or smart or clever. Pfundt was clearly wrestling with this idea and his own role in the events that weekend.

His desire to help was genuine. It was also similar to what many people who were in Craig that weekend have expressed, even 30 years after the murders. In a Bellingham bar in August 2013, two men who worked as crewmembers on boats docked near the *Investor* expressed feelings of deep anxiety about the event that continued to persist. They had not spoken of the murders in many years and yet, the lack of resolution was so troubling that they were still desperate to help. In the end, however, they just did not have the answers.

Alcohol is even a worse friend of faithful memory. Clyde Curry, skipper of the *Decade*, admittedly had a full night of drinking behind him, during the time of the murders, and it left a lingering guilt over not having done anything to help the victims. Eight people were murdered or possibly held hostage for several hours less than 20 feet from where he slept, he said. If he had simply raised his head and looked out the window, he would have been able to see a full view of the *Investor*'s deck and wheelhouse, a perfect vantage point to see everything that would have unfolded that night on the *Investor*, but he had been too drunk to notice and too hung over to remember anything of substance. As Curry said at the grand jury in 1984:

Well, you know, at first when this first happened I searched my mind as best I

---

134 Ibid.

could to try to find out, you know, anything that I knew, and then after that each day that goes by you're going to know less and I didn't feel like it was worth searching any more; because then you're going to start making things up. It seems like to me, and that's not going to help.<sup>135</sup>

Thirty years later, when Curry recalled what he saw that early morning in Craig, he was cautious. He knows that memory can be a fickle friend, that his recollections may not match the recollections from the past, and that he has not always been treated kindly for his poor memory. Curry's wife described his interactions with a local *Bellingham Herald* reporter during the investigation. She said the reporter acted skeptical about Curry's side of the story, questioned how forthcoming he was being, and treated him as if he had done something wrong. The reporter accused him of hiding information, she said, and overall, the experience had left a distasteful feeling for the media.

Two years after the murders, in an article describing police frustrations with the investigation, a *Bellingham Herald* reporter made an "if list" of scenarios that could have revealed the killer's identity. Three of those "ifs" involved Curry:

*If* the crew of the *Decade*... had not gotten drunk, might they have seen who crossed their deck to kill?

*If* the hungover crew had acted next morning when they saw the *Investor* drifting.. might the killer have been caught red-handed?

*If* *Decade* skipper Clyde Curry had notified authorities as he left for a fishery opening that afternoon that he was unable to raise the *Investor* on the radio, might the killer have been caught on shore where he awaited the *Investor*'s sinking?<sup>136</sup>

The "what if" scenarios may have felt like a form of public shaming for Curry, already feeling guilt over having been too drunk to help his fellow fishermen murdered in the next boat over as he slept it off the bender. In this same article, police escaped any blame for the lack of resolution,

---

<sup>135</sup> Clyde Curry, 1984 hearing of the Grand Jury, *Alaska v. Peel*, n.p.

<sup>136</sup> Trask Tapperson, "Two years of frustration end with arrest," *The Bellingham Herald*, September 11, 1984.



and instead, the fault was placed squarely on the shoulders of the first responders — volunteers who had tried to save the burning boat and ruined physical evidence or fishermen such as Curry and Craig residents who failed to notice the killer in their midst. “But this was a case with no lucky breaks for lawmen,” the reporter wrote.<sup>137</sup>

When he asked recently if he wanted to review transcripts from the trials to help jog his memory, he had no interest whatsoever. “Why would I want to remember that night?” he asked. This response was reminiscent of his testimony at the grand jury trial to indict Peel:

... I’m not even real comfortable about answering these questions here now because I’m not sure whether it’s something I remember or something I read someplace, you know. That’s just the way it is.<sup>138</sup>

### ***The Hoax***

Another lead involving an unidentified crewmember took troopers to the Midwest. On April 15, 1983, troopers in Ketchikan received a call from a man who identified himself as “T. Rex Mullens” who told them that young John Coulthurst, age four, was with him and he wanted to get in touch with his parents to let him know that he was okay. “He described him down to the last hair,” Sgt. Glenn Flothe told a newspaper reporter at *The Bellingham Herald*, further explaining how the trooper who took the call had asked him several questions, the answers of which were believed to be only known to investigators, “and of course, the killer.”<sup>139</sup> The call was traced to Goshen, Indiana.

Troopers dispatched immediately to Indiana, and with Alaska and Indiana warrants in hand, the man was taken into custody and his house searched. Police questioned T. Rex Mullens for two hours and his story was believable until he failed a simple Alaska geography quiz — or “until he mentioned driving the crewmember from Washington D.C. to Nome. No roads lead

---

137 Trask Tapperson, “Two years of frustration end with arrest,” *The Bellingham Herald*, September 11, 1984.

138 Curry, 1984 hearing of the Grand Jury, *Alaska v. Peel*, n.p.

139 Trask Tapperson, “Two years of frustration end with arrest,” *The Bellingham Herald*, September 11, 1984.

to Nome.”<sup>140</sup> Also — he told them that Jacques Cousteau had been in Craig at the time of the *Investor* murders. Troopers further asked him what the “T” in his name stood for. “Tyrannosaurus,” he replied. They also learned he had been a mental patient and that this was not the first time he’d tried a trick like this.<sup>141</sup> During their house search, troopers found a “sleazy detective magazine” that included an article, “Mystery of the Sailing Skeletons,” that provided details about the *Investor* killings that apparently troopers did not know had been publically available. The article was the source of his information. The whole incident had been a hoax.

The case seemed at a dead end, but that was typical of the workload that Alaska law enforcement was facing with increasing crime and a chronic lack of resources. By the end of 1985, an official from the Alaska Department of Law declared that the Criminal Division “simply cannot” prosecute any more cases. Dean Guaneli, the Criminal Division Chief, told a newspaper in December that year that “It is currently turning them away in record numbers.”<sup>142</sup> And no wonder they were overloaded — the murder rate in Alaska had just skyrocketed.

---

<sup>140</sup> Ibid.

<sup>141</sup> Associated Press, “Deaths Report Hoax,” *Daily Sitka Sentinel*, May 3, 1983.

<sup>142</sup> Associated Press, “Crime increases stalls state felony prosecutions,” *Ketchikan Daily News*, December 10, 1985.

## Chapter 8: Hoping for a Miracle

A year after the *Investor* murders, police were not any closer to solving the case. They still did not even have all the victims' bodies identified. "I'm not going to let it die," said Sgt. Jim Stogsdill, and noted he still had nine years before retirement.<sup>143</sup> Stogsdill was also now in charge of the investigation, having recently taken over the case from Sgt. Chuck Miller (who was transferred to work on drug cases). Faced with a trail that was quickly growing even colder, Stogsdill decided to start the investigation over from the beginning. And so, like the salmon that returned to the rivers of Prince of Wales Island to spawn each year, investigators also returned to Craig at the end of August 1983. "Things happen sometimes on anniversaries," Stogsdill said. "People sometimes return to the scene of their crimes; people sometimes remember things they'd forgotten."<sup>144</sup> He called it "the anniversary trip."

Eight troopers descended upon southern Southeast Alaska to conduct a massive "ten-day sweep" of the area. They used two 40-foot boats and an airplane so they could easily travel around the area that was home to some of the country's most rugged terrain. Investigators knew it was likely most of the boats in town in 1982 before would be returning (as they do every year), and hoped to find clues that might help them in their search for answers about what happened to the *Investor* crew. Mainly they wanted to know the identity of the mysterious man in the baseball cap who drove the skiff away from the burning boat. "I would like to come out of this with someone who spoke to and knows who walked off of that skiff," Stogsdill told a reporter at the time, "I don't care if they don't know where he is. I can find him if I know who he is."<sup>145</sup>

As hoped, this trip changed the direction of the investigation. By the time they went home, detectives at last had a suspect in mind — and it happened to be a name they had crossed off the list the previous year. "John Peel's name kept coming up," said District Attorney Mary Anne Henry. "And it kept coming up in circumstances and in a number of times to such an extent

---

143 Trask Tapperson, "Two years of frustration end with arrest," *The Bellingham Herald*, September 11, 1984.

144 Ibid.

145 "Fishing Season Renews Hunt for Clues to Alaska Murders," *New York Times*.

that the investigators decided maybe they'd better start looking at John Peel again."<sup>146</sup>

Stogsdill had interviewed Peel at a Bellingham Holiday Inn the previous year about a week after the murders and during the initial stages of the investigation. At the time, detectives had been looking to talk to anyone who knew the *Investor* crew and who may have been in Craig at the time of the murders. Because Peel had once been employed by Coulthurst and had been part of the *Libby 8* the previous summer, detectives wanted to know if he had seen anything suspicious that might help the case. It was not until a year later, however, that Stogsdill learned that Peel had lied to detectives during that interview in the Holiday Inn about where he had been the night of the murders. Something about Coulthurst's former deckhand just was not adding up.

To consider Peel a suspect in the murders of the *Investor* crew, Stogsdill had to understand how Peel had initially been eliminated — including finding an explanation for Kittleson and Anderson's failure to identify Peel at the Hill Bar, and Clark's statement to Kolivosky ("that's not John Peel, I know him") the day after the fire broke out.

Stogsdill decided Kolivosky had used "wrong judgment" in his plan to have eyewitnesses identify Peel at the bar. It was "unrealistic," he said, "you can't just send a person into a bar and tell them to pick out that person."<sup>147</sup> Even though Peel was in the bar when Mackie saw him acting strangely and was in the bar later when Kolivosky briefly spoke to him, Stogsdill said there was no way to prove that Peel had been in the bar when Anderson and Kittleson went in during the short time between. Maybe Peel had gone to the bathroom or had left briefly? It would always be a question mark. Stogsdill also determined that Kolivosky had simply wrongly eliminated Peel when Clark had identified him as not being the skiff operator.

Born in Bellingham, Washington in 1960, John Peel grew up in a close-knit family in the rural Alderwood neighborhood just south of downtown. "They were an average family of

---

<sup>146</sup> Henry, 1986 Ketchikan trial transcript, *Alaska v. Peel*, opening statement.

<sup>147</sup> Juror notebook, *Alaska v. Peel*, No. IKE-S84-1010CR, (Juneau: State of Alaska Archives, 1988).

ordinary means,” one newspaper article said of the Peel family.<sup>148</sup> Peel’s parents, Marilyn and Earl, were both life-long residents of Bellingham, and John Peel grew up with cousins, aunts and uncles scattered throughout Whatcom County. When he was in his early twenties, Peel was asked to assess his life so far. He said that overall, things were generally “pretty good.” “I have good parents and they’d do just about anything for me to help me out,” he said. “And I’ve always had friends, and I wasn’t born ugly.”<sup>149</sup>

The Peel kids attended Bellingham public schools. As a member of the Bellingham High Class of ’78, Peel was remembered as having an aptitude for mechanics and always ready for a party. It was at school that Peel met Mark Coulthurst’s younger sister, Lisa, whom he dated on and off for three years. Peel was more of a close friend than a boyfriend, Lisa Coulthurst remembered, and different than the kind of guy who usually caught her attention (jocks). But they had fun together and Peel became almost a de facto member of the family, coming to holidays and helping to babysit Lisa Coulthurst’s niece and nephew. Lisa Coulthurst said she and Peel remained friends after they broke up, and her brother Mark gave him a job as a deckhand on his fishing boat. Years later, Peel’s mother, a well-known local cake baker, made Lisa Coulthurst’s wedding cake.<sup>150</sup> In 1981, Peel married Cathi, a woman he’d met soon after graduating from high school. Mark and Irene Coulthurst gave the newlyweds a wedding present.

Peel was a deckhand for Coulthurst in 1980 and 1981, but he was not hired back to work on the *Investor* in 1982. Instead, Peel spent the first part of the year fishing in False Pass in the Aleutian Islands, and when he was fired, he returned to Bellingham. Hoping to get another job fishing, in late June, Peel hitched a ride to Southeast Alaska with a Blaine fisherman. He was in luck. Larry Demmert, skipper of the *Libby 8* and a friend from Bellingham, was just about to lose a crewmember who was too seasick to work. Demmert needed a replacement — and fast. Salmon season was starting within a matter of days.

---

148 Associated Press, “‘United’ Peel family prepared for ordeal,” *Anchorage Daily News*, February 3, 1986.

149 Peel interview, March 24, 1984.

150 Trask Tapperson, “Having children helps sister accept deaths,” *The Bellingham Herald*, September 6, 1992.

Demmert was lucky to gain a deckhand with experience. After his years of fishing and taking high school classes in welding and commercial fishing, Peel knew his way around a boat and was particularly adept at tinkering with engines. Physically, Peel was just about average. At five foot ten and 150 pounds, he had a slender build and managed to stay in good shape on a boat. Demmert hired him as his deck boss, his right-hand-man on the boat. He'd already lost seven crewmembers that summer — one whom he fired and six who quit.<sup>151</sup>

The young skipper had fishing in his blood. Larry Demmert had started working on his dad's boat when he was just seven years old, but in 1982, he was a new skipper and stuck with leasing a boat that kept breaking down for the season. He was a member of the extensive Demmert clan, a Tlingit family that had been fishing for generations on Prince of Wales Island.<sup>152</sup> His parents, Sharon Demmert and Larry Demmert Sr., were both teachers at a school for mentally disabled youth in Bellingham and lived there during the school year. During the summer, they commercial fished on their seine boat, the *Cindy Sue*, out of Craig, employing family and friends as deckhands. That year, the father-son skipper pair spent the season fishing side-by-side and their crews intermingled daily. When Demmert Sr. decided that Friday, September 3 opener would be their last fishing for the season, both boats motored back to Craig, tied up to the North Cove dock and spent the next several days cleaning the boats, repairing fishing nets, and preparing to return to Washington for winter. The *Libby 8* and *Cindy Sue* were rafted together just behind a trio of boats they occasionally saw on the fishing grounds — the *Defiant*, the *Decade*, and the *Investor*.

The day after the *Investor* fire, on Wednesday, September 8, Peel flew back to Washington. Using money he'd earned from selling four ounces of pot around town, he bought a seat on a Tyee Airlines six-seater float plane from Craig to Ketchikan. It was the last flight departing Prince of Wales Island before Alaska State Troopers grounded air traffic in an attempt to seal off

---

<sup>151</sup> Henry, 1986 Ketchikan trial transcript, *Alaska v. Peel*, opening statement, n.p.

<sup>152</sup> The Demmert last name traces its origins to the late 19th century when a slew of Scottish, Norwegian, Slavonian, German, and Irish migrants moved to Prince of Wales Island for employment at the canneries and adventure. Some of these immigrants intermarried and left their names. Langdon, *Technology, Economy, and Ecology*, 143.



the island in the wake of the *Investor* murders. In Ketchikan, Peel caught a connecting flight on Alaska Airlines to Washington and passed the time drinking booze and smoking pot with Jeff Olson, one of the crewmembers off the *Cindy Sue* who was also returning to Bellingham that day.

Peel and Olson had each downed at least a dozen drinks (beers and hard liquor) and had smoked a couple joints. Olson remembered drinking about seven Seagram's or Canadian Club whiskeys on the plane and figured Peel probably had about the same before he lost track of him at the end of the flight when Peel left to go to the bathroom. Just as the plane was making a landing, the flight attendant recalled a man — Peel — trying to emerge from the bathroom with his pants below his knees. Not wanting the improperly dressed man — or himself for that matter — to become like “a missile” and get flung down the aisle, he shoved him back inside and locked the door. When he checked on him upon landing, Peel was passed out, still with his pants below his knees.<sup>153</sup> The flight attendant recalled the incident a few years later because it was so unusual. For Peel's fellow crewmember and drinking companion however, there was nothing out of ordinary about the day. “That really was a typical day,” Jeff Olson said. “It really was.”<sup>154</sup>

Olson would be repeatedly questioned by reporters and police about Peel's state of mind during the return flight. He said Peel “seemed like he was happy to get home, that he couldn't wait to get home. I was feeling the same way.”<sup>155</sup> Peel's hasty departure and drunkenness raised suspicions among the investigating team, however. They wondered why he was in such a rush to flee town and whether his booze binge that day was fueled by extreme guilt over what he had done to the *Investor* crew.

### ***New Eyewitness Emerges***

In September 1983, Joe Weiss was a 25-year-old graduate student at Humboldt State University in northern California when he happened to be reading an article in the *Alaska*

---

153 *Alaska v. Peel*, No. IKE-S84-1010CR, (Juneau: State of Alaska Archives, 1986), n.p.

154 Jeff Olson, *Alaska v. Peel*, No. IKE-S84-1010CR, (Juneau: State of Alaska Archives, 1986), n.p.

155 Ibid.



**Figure 18: A young John Peel posing with a salmon. Photo courtesy of *Alaska v. Peel* case court archives.**

*Fisherman Journal* about the one-year anniversary of the *Investor* murders and something jogged his memory. Weiss had a personal interest in the story — he had been in Craig over Labor Day weekend the year before, working as a skiff man on the *Binky*, (a seiner skippered by a man named Brian Binkman), and he remembered the tragic incident. Weiss did not know the *Investor* crew personally, but he did know the boat well. “We fished around the *Investor* quite a bit, especially the last three or four weeks, out at Noyes Island,” Weiss remembered. “We traded sets with them and fished right next to them quite a bit.”<sup>156</sup> When the *Binky* crew raised a broom in the rigging a few weeks earlier, Mark Coulthurst had called on the VHF to congratulate them.<sup>157</sup>

The article described the terrible murders, the mysterious fire, and the Alaska State Troopers’ fruitless search for a man who seen operating the *Investor*’s skiff away from the burning boat and asked that anyone with information to come forward. It was only then that

---

<sup>156</sup> Joseph Weiss, *Alaska v. Peel*, No. IKE-S84-1010CR, (Juneau: State of Alaska Archives, 1986), n.p.

<sup>157</sup> *Ibid.*

Weiss realized he had seen the person they were describing. “I wrote them a letter,” Weiss said.<sup>158</sup>

Weiss told detectives that he was at the cold storage dock in Craig at about nine or ten o’clock the morning before the fire broke out on the *Investor*. The weather was overcast and a storm was blowing. Visibility was limited, he remembered, and he was on the dock getting ready to step into the *Binky’s* skiff when he watched as the *Investor’s* skiff “came in at full speed and [the driver] shoved it into reverse full force, bringing the nose right up to the dock,” Weiss said. The man then shut off the engine, grabbed the bow line, quickly lashed the bow of the skiff to the dock before jumping out. Weiss figured the man was just another fisherman. He casually greeted him, but the man ignored him, Weiss remembered. “He walked by me up the dock.”

The encounter only lasted a few seconds, but Weiss was able to provide police with a physical description of the person. The man was five foot ten inches with a clean-shaven full face, Weiss said, with a “squared off chin” and a “not-quite button nose.” He had “blond to very light-brown hair a little bit over the ears,” he remembered, and a build that was “rather muscular, not overly stocky.” He also recalled that he was wearing a red and black plaid jacket and a cap on his head.<sup>159</sup>

Stogsdill thought the new lead was promising enough that, in November, he flew to California to show Weiss pictures of people who might match the description he provided — including, photos of their new suspect, John Peel.<sup>160</sup>

### ***Stogsdill’s “Plan of Attack”***

Since Peel was now considered a suspect in the murders of the *Investor* crew, troopers launched a surveillance operation to monitor his activities, cautiously aware that they did not want him to know “in any way shape or form” yet that he was a suspect.<sup>161</sup> They were also now

---

<sup>158</sup> Ibid.

<sup>159</sup> Ibid.

<sup>160</sup> Memorandum from James Stogsdill to Lieutenant Robert E. Jent. Criminal Investigations Bureau, February 22, 1984 *Alaska v. Peel*, No. IKE-S84-1010CR, (Juneau: State of Alaska Archives, 1986).

<sup>161</sup> Juror notebook, *Alaska v. Peel*, No. IKE-S84-1010CR, (Juneau: State of Alaska Archives, 1988).

ready for the next step in the investigation — the suspect identification process. Since the entire weight of their case against Peel rested on the several eyewitnesses who had seen someone driving the *Investor*'s skiff on the day of or the day before the fire broke out (and provided similar physical descriptions), troopers wanted to see if these witnesses would identify Peel as that man. A positive identification of Peel would help to solidify their case, which would help them secure a warrant for his arrest — and later, a conviction by a jury.

Through normal channels, and without Peel's knowledge, they easily secured his Washington state driver's license photo, as well as photos of five Alaskan residents who had no connection to the case, but whose physical features resembled Peel's. "One of these is John Peel, and the other three are as close to look-alikes as we could get," Stogsdill said, "that's the object of a photographic line-up: Get your subject and find close photographs."<sup>162</sup>

Detectives also put together a second collection of photos, which they called a "photo array" rather than a "lineup." This collection would contain more candid shots of Peel and other individuals (such as Dean Moon and Chris Heyman, who were still considered "missing crewmen"), as well as other photos that could help prompt witness recall, such as pictures of the area around Craig. They had to be more creative in gathering images of Peel for this collection because they still did not want Peel to know he was a suspect. Stogsdill and a Seattle-based trooper took undercover photos of Peel while he was at work and Stogsdill also got a photo of Peel posing with a fish from Leroy Flammang, a former *Investor* deckhand. In November 1983, troopers asked Peel to the Bellingham Police Station for an interview, his second since the murders, telling him they wanted to ask him a few more questions. When Peel was in the interrogation room, police surreptitiously took photos of Peel from behind the two-way glass. In all, the photo array included 29 photos of people. Of those, eight were photos of Peel.<sup>163</sup>

After the photo line-up and photo array were compiled, Stogsdill said they began the

---

<sup>162</sup> Stogsdill, 1984 hearing of the Grand Jury, *Alaska v. Peel*, 60. He doesn't explain the other two photographs in the line-up.

<sup>163</sup> The array of photos shown to Weiss only included four pictures of John Peel. Other witnesses were all shown eight photos of Peel.

difficult process of tracking down the several individuals who had seen the skiff driver to show them the lineup with their new witness.<sup>164</sup> This process took several months as witnesses were still scattered throughout the Pacific Northwest.

The troopers ramped up their investigation in other ways as well; they needed to find the murder weapon. In December 1983, 16 months after the murders, they asked that Demmert surrender the four guns that were on the *Libby 8* the summer of 1982 — including one that belonged to a crewmember, Lonnie McQuistan. McQuistan had quit because he'd gotten seasick, but left without taking his rusty .22 caliber rifle with him. One deckhand later recalled that they used it to shoot halibut. This gun and another belonging to Demmert were .22 caliber rifles and considered possible murder weapons. The guns were given to the FBI for comparison with the melted bullet fragments found in bodies of the *Investor* victims. Stogsdill summarized the findings about the two 22-caliber rifles, which were, like every other part of this case, frustratingly incomplete: “the results were a definite no on the McQuistan gun and an inconclusive on the Demmert gun, leaving the possibility of it still being the murder weapon.”<sup>165</sup>

Most fishing boats had a gun or two on board. During closures between fishing openings, fishermen sometimes passed time by stopping on one of the hundreds of islands in the Alexander Archipelago to hunt white-tailed deer or simply shoot targets. There was also an affinity for weapons, prompted perhaps by the inherent machismo of logging and fishing cultures, or maybe by the increase in the number of military veterans. Several Prince of Wales Island residents had fought in Vietnam, where a common weapon was the long rifle, using a .22 caliber bullet — the same type that was used to murder the *Investor* crew. If a prospective murderer wanted to get his hands on a weapon in Craig in the early 1980s, he would not have had to look very hard — J.T. Brown's General Store downtown was a popular shop to buy guns.

---

<sup>164</sup> Ibid.

<sup>165</sup> Memorandum from James Stogsdill to Lieutenant Robert E. Jent. CIB. February 22, 1984.

On February 22, 1984, Stogsdill penned a memo to his commander describing the status of the *Investor* murder case — and outlined a recommended “plan of attack” for the steps they would need to take to close the books on Peel.<sup>166</sup> In the memo, Stogsdill listed 17 reasons that indicated Peel had murdered the *Investor* crew and seven reasons that indicated he was not the culprit. Most of the reasons he listed that pointed to Peel as guilty were entirely circumstantial. Essentially, the logic he used was that Peel was the right person in the right place at the right time. Four reasons included specific references to the fact that Peel’s appearance and physique matched eyewitnesses’ descriptions of the skiff operator. Stogsdill also noted, however, among the reasons Peel was not the killer, that Peel “was not identified by any of the witnesses who were taken to the Hill Bar to view him,” which may indicate that someone else had been the skiff driver.<sup>167</sup>

Stogsdill went on to summarize the findings of the photo line-up interviews that had included pictures of Peel with four of the primary eyewitnesses who saw the skiff driver. In each of the interviews, witnesses picked out Peel’s photo at least once. No one was ever 100 percent certain that Peel’s image matched the person they saw driving the *Investor*’s skiff.

Jan Kittleson — “This picture (Peel’s) looks more like my composite than any other picture I’ve seen.”

Sue Domenowske — “He looks similar but the hair on the person I saw was darker.”

Paul Page — “He looks similar, but the person I saw looked younger.”<sup>168</sup>

Stogsdill wrote that Joe Weiss also “picked out Peel’s photo as being ‘most like’ the person he saw.” However, it was important to note that “Weiss waffles between Peel and Heyman during the latter part of the interview,” he said, but offered a possible explanation. “Peel and Heyman are similar in appearance. The profile photo of Heyman was a good quality photo while those of

---

<sup>166</sup> Ibid.

<sup>167</sup> Ibid.

<sup>168</sup> Ibid.



Peel were poor quality.”<sup>169</sup>

Stogsdill clearly recognized the problems they might face if they pursued Peel as a suspect: “There is, simply, no physical evidence in this case. There are no eyewitnesses, with the possible exception of Joe Weiss, who will commit themselves to an identification after this period of time.”<sup>170</sup> Eighteen months had passed since the murders and six months since they had fingered Peel as the suspect. Even though Stogsdill thought Peel was guilty, they could face difficulty securing a conviction without additional evidence. The passage of time had been too long, the eyewitnesses’ memories too fuzzy and too unreliable. Jurors might not be convinced unless they could find something that could definitively put Peel at the scene of the murders that stormy night of September 5, 1982.

Out of desperation, they’d have to try for a Hail Mary pass — attempt to get a confession from Peel himself. It was the only option. “Suffice it to say... without [a confession], there is no case,” wrote Stogsdill in the memo. “Therefore everything should be directed to that end.”<sup>171</sup> Pressure was mounting for the case to be solved. “There are no other suspects in this case, however remote,” he wrote. “If it turns out that Peel just looks good, but is not knowledgeable or involved, then the truth of the matter is I start from the beginning again in hopes of a miracle.”<sup>172</sup>

---

169 Ibid.

170 Ibid.

171 Ibid.

172 Ibid.

## Chapter 9: March Miracles

While Stogsdill privately expressed doubts about the case to his commander in the internal “plan of attack” memo, police presented an entirely different image to the public. “We’re on our way to the end,” Stogsdill confidently told a *Bellingham Herald* reporter in March 1984. “It (a solution) is closer than ever before.”<sup>173</sup> That month, Stogsdill and two other troopers travelled to Bellingham as part of what *Bellingham Herald* reporter Trask Tapperson described as “an almost splashy visit.”<sup>174</sup> Investigators had a purpose for the visit — they wanted to draw publicity to the case with the intention of panicking Peel into making a confession.

During press conferences held in Bellingham during their visit, police told reporters that they had several suspects in mind and were expected to close in on the killer in a matter of weeks. On March 24, the local Bellingham television station aired a trooper-prepared segment detailing the case and investigation. New eyewitness had come forward in recent months, they said, and not only were they confident that they knew what the killer looked like, but they knew how his brain worked — FBI analysts had developed the killer’s psychological profile. In a critical move, Stogsdill unequivocally — and without explanation — tossed out any remaining notion of the “crewman-as-suspect scenario,” shelving the idea of the fugitive deckhand. Instead, they were looking for a man who was hidden in plain view as a Bellingham resident. He provided no names or further clues about the suspects, but he was clear about the mission of the trip: “I’m here to get people to point the finger at people.”<sup>175</sup>

### *The “Confession”*

On March 24, the same day the trooper segment about the *Investor* murders appeared on Bellingham local television, detectives asked Peel to come to the Bellingham Police Station to talk about the case. At the time, Peel was living in a rundown duplex apartment with his wife

---

<sup>173</sup> Trask Tapperson, “Two years of frustration end with arrest,” *The Bellingham Herald*, September 11, 1984.

<sup>174</sup> Ibid.

<sup>175</sup> Ibid.

and six-month old son. After years of poor luck on the fishing grounds, Peel had quit working at sea and was employed at a Builder's Concrete making concrete floats for marinas. He was not making much money, he would tell troopers, but the job was secure and came with health insurance for his family.

Alaska State Troopers Sgt. Glenn Flothe and Sgt. Darryl Galyan interviewed Peel, while Stogsdill and others watched behind a two-way mirror. Flothe and Galyan had similarly confronted Robert Hansen, an Anchorage baker who was suspected of murdering at least 17 women and depositing their bodies along the Knik River.<sup>176</sup> Only a month before Hansen had finally confessed to the vicious killings.

In the interrogation room at the Bellingham Police Department, the interview with John Peel proceeded along the lines of the standard "Reid Technique" used throughout the country. The technique followed a simple set of steps created with the idea that by asserting pressure on key points, a suspect will eventually crack under extreme anxiety and confess to whatever terrible crime he has committed. John Reid, a former Chicago street cop, developed the "good cop—bad cop" technique after a long career extracting confessions and established a consulting business to teach other cops his method.<sup>177</sup> The technique, popularized in the 1950s, was considered to be an advancement over the brutal tactics previously used to get confessions. Instead, "he used modern science," one journalist explained, "combining polygraphic skill with an understanding of human psychology."<sup>178</sup>

According to the Reid Technique, an interview with a suspect begins when detectives invite the person under friendly auspices, possibly to help. Once in the room, the suspect will be confronted by pieces of evidence, newspaper articles, or other "props" meant to make the suspect uneasy. When Peel walked into the interview room on March 24, it appears from the recording of

---

176 Walter Gilmour and Leland E. Hale, *Butcher Baker: A True Account of A Serial Murderer*, Penguin Books, New York, 1991, 158.

177 Douglass Starr, "The Interview: Do police interrogation techniques produce false confessions?" *New Yorker*, December 9, 2013.

178 Ibid.

the meeting that several recent *Bellingham Herald* newspaper articles were laid out on the table. He was left alone in the room for some time, presumably to give him an opportunity to peruse the articles before detectives arrived.

The interview then began casually, with the interviewer asking a series of gentle background questions or questions about the suspect's whereabouts during critical days. The idea was to determine if a suspect is lying by establishing baseline behavior. Galyan, who played the role of "good cop" in the interrogation of Peel, asked Peel to tell him about his relationship with Mark Coulthurst and the *Investor* crew and to explain what he was doing in Craig that weekend in 1982. Galyan asked Peel if he read the articles on the table and saw mention of an eyewitness who had positively identified the killer. "The witness identified you, John," Galyan said.

"Oh you think you've got your man? This scares me," Peel said in response, "I want to talk to a lawyer." But Galyan convinced him to stay by telling him that he could absolutely have a lawyer, but did not he want to first hear a story?

The interviewer retains a friendly demeanor and gradually begins to steer the conversation in a direction that gives the suspect a clear "out" or "face-saving alternative," minimizing the moral consequence of the crime itself as having been something that was inevitable or accidental. The manual for standard Reid Technique suggests ways an interviewer can "minimize" any crime, no matter how awful.<sup>179</sup> "Hey, we all do weird stuff when we are drunk," Galyan said to Peel, and "the next morning you just couldn't believe you've done. Guys tell you were dancing on the table." At this point, Peel seemed not to be responding to Galyan's buddy approach the way Galyan may have wanted.

"I've never danced on a table," Peel said, but offered up another possibility: "I got tied to a table one time."

Galyan ignored him and kept going. The murders and subsequent fire set to cover it up was "like a kid scooping the dirt under the couch," he said. It was all just a mistake. It could happen to anyone when they are drinking or "smoking grass."

---

<sup>179</sup> Ibid.

Galyan presented to Peel the idea that the murder as being the lesser of two evils. Galyan told Peel that he was in sharp disagreement with Stogsdill over the motive behind the murders on the *Investor*. “I think Stogsdill is full of crap,” he said, which was why he was now questioning Peel. He said Stogsdill believed the murders to have been “cold-blooded” and resulted from a robbery on board the *Investor*. But Galyan believed that it had all been a drunken accident. “That makes a difference in everybody’s lives. That needs to come out.” And then finally, the kicker: “John, you’re not a bad guy.”

“I think you’re nuts, man,” Peel said. “Jesus I just can’t believe this.”

To prove that he was innocent, troopers asked Peel if he would consent to a polygraph examination. He readily agreed. Dave McNeill, a police officer with the Bellingham Police Department, conducted the polygraph, first asking Peel a series of baseline questions about his family and childhood. When he asked Peel whether he was taking the test voluntarily, Peel said he was. “I feel it’s something I have to do,” he said. Then he laughed nervously. “I hope I do good. I think I should do good.” He said he was so nervous about taking the exam that his blood pressure and heart rate was probably through the roof.

“You know, this is a polygraph,” McNeill told Peel. “Okay? And polygraphs only know a lie or the truth. And they don’t differentiate between a little tiny lie and a great big lie. Just a lie is a lie and a truth is a truth.”

“Okay,” Peel said.

“All right. Now if you’re involved at all... don’t take it,” warned McNeill. “Okay? Get up and walk out now.”

“Okay,” Peel said, without getting up.

“Just walk out,” McNeill said. “Okay?”

“Got it.”

“Okay,” McNeill said. “If you set fire to it, the *Investor*, you know, if you caused that to burn and you burned those kids, burned Mark Coulthurst, Irene, get up and walk out. Okay?”

“Yeah, I understand.”



**Figure 19: John Peel sits at the table in the basement of the Bellingham Police Department in March 1984. Photo courtesy of *Alaska v. Peel* case court archives.**

“If you didn’t do it, were not involved at all, then just stay sitting there.”

“Here I am.”

“But if you did it, leave.”

“Gotcha,” Peel said, still not moving.

During the exam, Peel continued to deny he was involved at all and that he did not have a clue who might have wanted to kill Coulthurst and the others on the *Investor* that night. McNeill asked Peel about other times in his life where he may have lied to authority or caused harm to other people. Peel told him about how he and a friend had killed a woodpecker with a slingshot when he was a little boy, but felt so bad about it because they knew Peel’s dad would be livid with them. He also considered himself to be an honest person — 8 on a scale of 10 — but admitted to telling white lies to teachers and his parents, usually about why he was late to class or whether he had taken a pack of cigarettes. He once was accused of a burglary and had agreed to a polygraph by police, but he said he was not their man and they had let him go.



After the test ended, Peel was permitted to use the restroom before being escorted to another room. Sgt. Galyan and Sgt. Flothe came back to discuss with Peel the results from the test. Galyan told Peel that he trained at New York City's National Training Center of Polygraph Science in 1977, he'd run hundreds of these tests, and knew how to analyze the results.

"John, I've looked at the charts," Galyan said. "You are a textbook reactor. I haven't seen somebody that's a reactor like you in a long, long time. In the trade, there's what is known as an emotionally-low responder. Basically all that means is that when a person tells a lie, they write out that they're lying, but they do it very subtly. Okay? You are absolutely not an emotionally-low responder. You're a textbook reactor."

"I've looked at the charts, John," Galyan repeated. "and you're not telling the truth."

"That's what the chart says?" Peel asked.

"Absolutely." Galyan told him that he did not even have to be an expert to know which questions he was answering with lies. "John, it's nothing personal, but I came down here because I want to help resolve this and one of the things that I want you to understand is that you're a pretty decent young man from everything I've learned about you."

"Right," Peel said.

"I foresee this whole thing coming to a conclusion very quickly," Galyan said.

"You do?" Peel asked.

"You lied on the polygraph. I can take those charts to any polygraphist, even a first-week student, John, and I can lay those on a table. You didn't tell the truth in there."

"Well," Peel said, "the machine can't work that well then, because I wasn't lying."

The conversation continued for several more minutes, with Galyan and Flothe continuing different approaches to get Peel to feel comfortable enough to confess to murdering his former boss and the rest of the *Investor* crew. But Peel would not budge, continuing to adamantly deny he was involved in any way. Finally, after the conversation continued to go in circles with no resolution, Peel asked Galyan for advice.

"Well, if you were in my shoes, innocent, what would you do?" Peel asked.

“If I was in your shoes and I was innocent, I wouldn’t be here, John,” Galyan said. “But I’m not in your shoes and you’re not innocent. That’s the problem that I’m faced with here.”

“[If you were] in my shoes and innocent, you wouldn’t be here now?”

“That’s right,” Galyan responded.

“See you later,” Peel said.

“Auf Wiedersehen,” Galyan said, “ Thanks for coming in, John.”

On his way out the door of the office, Stogsdill, who had been closely watching the interrogation from behind the one-way glass, overheard Peel say: “I understand now what you want is a confession.”<sup>180</sup>

But unbeknownst to Peel, troopers believed that that’s exactly what they had gotten.

### ***A Star Witness is Born***

Peel was not the only *Libby 8* crewmember who Alaska State Troopers scrutinized that last week of March in Bellingham. Police were also talking with Dawn Holmstrom and Brian Polinkus — two crewmembers who had known Peel for years. Also under the interrogation lens was Larry Demmert, Jr., Peel’s boss during the 1982 salmon season in Southeast Alaska.

Troopers asked Demmert to come to the police station on March 26, two days after they had interrogated John Peel. Demmert had been interviewed several times during the past 18 months, but detectives still felt like he was hiding something. Every time they talked to Demmert, his memories changed ever so slightly.

Detective McNeill interviewed Demmert the first time on October 8, 1982 at Bellingham Harbor while he and a deckhand were working on the *Cindy Sue*. Demmert revealed practically nothing, saying he was too busy to talk.<sup>181</sup> Demmert told McNeill that his boat, the *Libby 8* had been moored near the *Investor* the night of the murders, but that he never socialized with the

---

<sup>180</sup> Stogsdill, 1984 hearing of the Grand Jury, *Alaska v. Peel*, n.p.

<sup>181</sup> Detective notes say that the boat was the *Libby 8*, but this would have been impossible. The *Libby 8* was left in Ketchikan while the *Cindy Sue* was brought back down to Bellingham. The discrepancy was probably a result of the fact that much of the detective notes were written several months after the actual interviews took place.

*Investor* crew. He did say that while in Craig, a man he did not recognize had tried to hitch a ride with them back to Seattle, but Demmert had turned him down.<sup>182</sup> McNeill interviewed Demmert a second time on October 22, 1982. This time, Demmert remembered three more critical details. First, he said there were actually two people who had asked for a ride back to Washington from the Craig area.<sup>183</sup> He described this other person in some detail and said the man became quite upset when he was denied a ride. Demmert also told McNeill that he had been asleep aboard the *Libby 8* the night of September 5, but that early the next morning “he was awakened from his sleep by something and as he awoke he felt somewhat strange. He has no idea what awoke him nor did he hear any noise out of the ordinary after he woke up.”<sup>184</sup> The third piece of information he gave McNeill was that an acquaintance named “Doug” had told him about a drifter who had been around Craig at the time and who had disappeared soon after the murders. Demmert said “Doug” believed this was probably the killer.<sup>185</sup>

Almost a year later — on August 29, 1983, Stogsdill interviewed Demmert in Craig during the anniversary trip. Demmert told Stogsdill similar recollections as before, but added that he remembered that when he had returned to his boat at around 10 or 10:30 p.m. on Sunday, September 5, he saw a half dozen people “partying” on board the *Investor*, but he did not see who they were.<sup>186</sup>

During Demmert’s interview with police at the Bellingham Police Station on March 26, 1984, he continued to reveal details that he had not shared before. He told investigators that he recalled returning to the *Libby 8* sometime before midnight on the night of September 5 and, as he was getting on his boat, he witnessed someone climbing onto the *Investor*: “I saw the person jump across — or going from the middle boat to — across the *Investor*’s door when I was going

---

182 David McNeill, “Followup/Narrative Supplement,” October 8, 1982, Bellingham Police Department for the Alaska State Troopers, *Alaska v. Peel*, No. IKE-S84-1010CR, (Juneau: Alaska State Archives, 1986).

183 Ibid.

184 Ibid.

185 Ibid.

186 Larry Demmert, interview by Alaska State Troopers, August 29, 1983, *Libby 8* at Craig, AK, *Alaska v. Peel*, No. IKE-S84-1010CR, (Juneau: Alaska State Archives, 1986).

on my boat.” He said it was dark outside and the weather was misty and that he did not recognize the man, but described him as “scraggly.” “The guy looked like a dirty old fisherman to me,” he said. “I thought he was probably off the *Defiant* crew or one of those guys.”<sup>187</sup> He said the man may have gone into the front pilothouse, but it was difficult to see because it was “real smoky.”<sup>188</sup>

The trooper who interviewed him then began a conversation with Demmert about a “hypothetical” scenario in which Peel had been the person who murdered the *Investor* crew. “If he did this,” the trooper began, “how would you picture it happening, in your own mind, mainly because you do know John and how he behaves... How would you think it to come down?”

“Well, I’d never thought of, you know, John doing it,” Demmert replied, “but the way that Mr. Stogsdill described the other day— remember how? – I cannot remember your exact wording on it ... like you said.” Demmert then described a recent conversation with Stogsdill<sup>189</sup> in which Stogsdill had proposed the following scenario: Perhaps Peel had been on the *Investor* partying with the crew when Mark Coulthurst and his family returned from dinner and, upon seeing his former crewman — a man he had previously fired — Coulthurst got angry and told Peel to get lost. Peel, who had a growing grudge against Coulthurst that was recently exacerbated by the fact that Coulthurst had refused to give Peel a ride to Craig when he had run into him earlier in the season in Ketchikan. Feeling slighted, Peel had simply “snapped” and gunned down everyone on board.

This scenario still sounded questionable to Demmert. “He wouldn’t have been carrying the gun on,” Demmert reasoned, visualizing verbally how this situation could have played out. “So it probably would have had to have been, just from deduction, like kicked off the boat, come back, and did it.” The trooper wanted to know whether Demmert thought his friend had it in him to kill all those people. “Do you think he has the ability under the right circumstances, maybe under the influence of drugs and booze, to do something like this?”

---

<sup>187</sup> Larry Demmert, interview by Alaska State Troopers, March 26, 1984, Bellingham, WA, Police Department Interview Room, *Alaska v. Peel*, No. IKE-S84-1010CR, (Juneau: Alaska State Archives, 1986).

<sup>188</sup> Ibid. He probably meant “real foggy” as it was a rainy, foggy night.

<sup>189</sup> There is no record of this conversation

Demmert paused for a little while before answering with a question: “You mean the – craziness to kill somebody?”

“Yeah, under those types of circumstances.”

“Well...” Dermert paused even longer this time before answering. “... something like that is really hard to say.... Anybody under the right circumstances will kill.”

Demmert still was having a hard time trying to imagine his friend as a killer. “But it’s hard to say. There’s a chance, knowing him, now, that he ... he would,” he stammered. “He’s — you know, like they’d use ‘kill the fucker’ a lot, like — like he’s pissed at somebody.” He said he remembered hearing Peel making statements like, “Yeah, I’d like to kill the fucker,” but that it was just a phrase, not a specific threat.

“But,” he said, continuing to think about the possibility, “I think he probably could have – be that – a person that could do something like that, myself, that’s why it bothers me so much.”<sup>190</sup>

---

<sup>190</sup> Ibid.

## Chapter 10: The Arrest

On Monday, September 10, 1984, almost exactly two years after the murders, Stogsdill and McNeill arrested John Kenneth Peel, now 25-years-old with a one-year old toddler, for the murders of the *Investor* crew. McNeill handcuffed Peel at 7:14 a.m., just after Peel had pulled into the parking lot at the Chris-Craft boat yard in Bellingham where he worked installing interiors in luxury pleasure vessels — and two days after Peel and his wife had celebrated their son's first birthday. After McNeill read Peel the warrant for his arrest, naming each of the eight victims, Peel looked at McNeill, stared at him for a moment, and said: "Let's do it."<sup>191</sup> McNeill remembered Peel's demeanor was cold and direct.

Peel was not surprised to be arrested. He was aware the Alaska State Troopers had been watching him and his family for months, and of course he had not forgotten the interrogation and polygraph test he had taken the previous March when Flothe, Galyan, and McNeill tried to convince him to confess. In the absence of a smoking gun, police had deployed undercover agents to monitor Peel's activities, hoping to gather more evidence in their case against their only suspect. His most recent encounter with police had been the previous Friday when Stogsdill had approached him with a request to "talk" again about the *Investor* case. At the time, Peel had refused him, saying that this time, he wanted a lawyer present.

After McNeill handcuffed Peel that Monday morning, Stogsdill, who was tape recording the arrest, read Peel his Miranda Rights before loading him into a cop car to book him at the downtown police station.<sup>192</sup>

"Do you want to talk to me now or do you want to call a lawyer?" Stogsdill asked Peel.

"I want to talk to a lawyer," Peel responded.

"Okay," Stogsdill said. "Well, it's finally over huh, John?"

"It's just starting," Peel responded.

---

191 David McNeill, 1984 hearing of the Grand Jury, *Alaska v. Peel*, 410.

192 Thomas Schulz, "Published decision," August 30, 1985, *Alaska v. Peel*, No. IKE-S84-1010CR, (Juneau: Alaska State Archives, 1986).



“Well when you talk to your lawyer I want you to tell him a couple of things,” Stogsdill said, continuing:

Tell him ... when he comes down to see you at the jail this morning, tell him six people have identified you as being on the skiff coming back from the *Investor*, buying gas at the gas station an hour before the fire. Tell him you had access to the murder weapon. Tell him you sold Dean Moon some dope just before you went on board the *Investor* and did whatever you did there. Tell him you told a guy in a bar not too long ago that – when you were a little bit drunk how you should have known the boat would’ve sunk. Make sure you tell him all the statements you’ve made now so he knows exactly where you stand okay? You don’t want to miss anything.

Peel did not reply for a while and Stogsdill began talking again, this time his voice was muffled and the words indistinguishable. Peel repeated again that he wanted to see his lawyer.

“You sort of knew this was coming the last time we were here didn’t you John?” Stogsdill asked.

“I wasn’t surprised,” Peel said.

The investigators had been hoping that the pressure they had put on Peel over the previous few days would have scared him enough to come forward on his own. But they had determined they had no choice but to arrest their stubborn suspect and let a grand jury decide if they had enough evidence for an indictment.

Peel was booked at the Whatcom County jail and bail was set at \$1 million. With no money Peel found a *pro bono* lawyer, Michael Tario, a young Bellingham attorney and recent law school graduate who was looking to build his reputation as a criminal defense attorney.<sup>193</sup> Tario was barely out of law school when Peel had approached him in his downtown Bellingham office about representing him and thought it sounded like an interesting adventure for his criminal defense law career. Because Tario had not passed the bar in Alaska, Peel also needed

---

<sup>193</sup> Michael Tario, interview by author, Bellingham, Wash., November 2011.

legal counsel from Alaska.

Cobbling together \$100,000 from garage sale fundraisers and a donation drive, Peel's family hired Harvard Law School graduate Phil Weidner, a brilliant and eccentric Anchorage attorney who had a "quiet way of getting under skin if he wants to."<sup>194</sup> Journalist Peter Carbonara called Weidner, who wore a chest-length black beard, as "an unreconstructed student radical" and observed, "when he smiles, which is occasionally, his face lights up like a pinball machine; when he is morally exercised, which is most of the time, he looks like John the Baptist just in from the desert."<sup>195</sup> Weidner also had a reputation for defending filthy rich drug dealers during the pipeline heyday years in the 1970s and giving other attorneys headaches over the piles of paperwork he created for them. The third lawyer on Peel's defense team would be Brant McGee, who worked for the Alaska Office of Public Advocacy.<sup>196</sup>

Peel's friends and family could not believe the mild-mannered, fun-loving, pot-smoking Peel could have shot eight people to death — including two little children. A shocked neighbor, Ruth Randmel, told *The Bellingham Herald* that Peel "was the most mellow kid you've ever seen. We know he never could have done it. Why he'd pick up a cat and play with it whereas other kids would've pulled his tail."<sup>197</sup> Ruth Randmel's son, Bert Randmel, called Peel "the biggest chicken you'd ever seen" and refused to believe his friend was a killer. "I'd believe (the *Investor* murderer) was my mother," he said, "before I'd believe it was him,"<sup>198</sup>

For the families of the victims, many of whom had been waiting for police to finally bring their loved ones' killer to justice, Peel's arrest came as a relief. But for the Coulthurst family itself, the news of his arrest was another tragic blow. Mark Coulthurst's older sister Laurie, had a picture on her mantle of Peel with a few members of the *Investor* crew. She was stunned over

---

194 Eric Thomas, "Lawyers spar in flurry of pre-trial jabs over Peel case," *Bellingham Herald*, January 9, 1986.

195 Carbonara, "A Burnt-Out Case," 271.

196 Normally, Peel would have been assigned a public defender, but that agency had a conflict of interest for this particular case.

197 Eric Thomas, Michael Conoors, and Linda Hosek, "Peel's friends shocked, rally to his defense," *The Bellingham Herald*, September 11, 1984.

198 Ibid.

the news, torn about how to feel, remembering how Peel used to bring their dad salmon once in awhile.<sup>199</sup> Lisa Coulthurst was in a similar state of disbelief: “I wish it would have been some crazy off the boat,” she said. “I’ve been wanting to hate someone for the past two years.”<sup>200</sup>

Investigators told reporters they had built a case against Peel that was as sturdy as “a three-legged stool,” but that they were still stumped as to what could have motivated the 22-year old Bellingham fisherman to murder his former boss and family and crew. “You can only speculate,” Stogsdill told *The Bellingham Herald*. He said he believed Peel did not intend to kill. “It was spontaneous. Something got out of hand and he simply went crazy.” Peel fit the profile of the kind of man they were searching for. “We started putting people’s names down,” Stogsdill explained. “He was a match.”<sup>201</sup>

The reporter pressed for a motive, but Stogsdill claimed they were still trying to figure that out. “He grew up here and knew the (Coulthurst) family a long time,” Stogsdill reasoned. “He worked for Mark on the *Kit*. There’s probably something there.”<sup>202</sup> However, despite not knowing the motive, he said, the case itself against Peel was solid. The physical evidence was “substantial” and the circumstantial evidence was “exhaustive,” but Stogsdill refused to provide any particular details that proved Peel was responsible. He said: “There’s a little bit, a lot, and some of each type, but not any one piece we couldn’t do without.”<sup>203</sup>

But police had pieced together a motive — even if they were not providing details to the media. They believed Peel had been enraged with Coulthurst since the previous season when Coulthurst fired him. The humiliation and anger over this incident simmered for the next several months, they believed, fed by additional perceived slights and jealousy over the *Investor*’s successful season until the anger erupted suddenly and violently.

---

<sup>199</sup> Linda Hosek, “*Investor* case strikes too close to home,” *The Bellingham Herald*, September 11, 1984.

<sup>200</sup> Ibid.

<sup>201</sup> Trask Tapperson, “Missing motive,” *The Bellingham Herald*, September 11, 1984.

<sup>202</sup> Ibid.

<sup>203</sup> Ibid.

Peel remained housed in the Whatcom County jail where he would remain for the next eight months while his attorneys fought efforts to extradite him to Alaska and to free him on bail. To help him occupy his time in jail, Weidner provided Peel with a copy of *The Trial* by Franz Kafka, a novel about a man, Joseph K., who was arrested and prosecuted for an unknown crime by a remote and inaccessible authority.<sup>204</sup> The novel chronicles K's year long struggle to understand not only the charges and to defend himself, but to convince others that he did not break any law at all:

"But I'm not guilty," said K, "there's been a mistake. How is it even possible for someone to be guilty? We're all human beings here, one like the other."

"That is true," said the priest "but that is how the guilty speak."<sup>205</sup>

Investigators were well aware that a false accusation could destroy a person's life, but they were certain they had the right man. "We're 100 percent convinced it's him," Stogsdill told *The Bellingham Herald*. "None of us feel we've made a mistake... I'm as convinced it's him as much as any other case I've handled."<sup>206</sup>

### ***The Motive***

While most people remembered Peel and Coulthurst getting along, they sometimes experienced the typical conflict between a skipper and a deckhand. Roy Tussing remembered an incident the previous year on board the *Kit* when Peel and Coulthurst were playfully roughhousing on the boat during the three-day run south from Alaska to Washington. At some point during the trip, Coulthurst and Peel decided to visit the crew of Larry Demmert Sr.'s *Cindy Sue* that for safety reasons was making the run with them. Peel and Coulthurst were gone for several hours and in their absence, Tussing and Leroy Flammang were steering the *Kit*. When Coulthurst and Peel returned, both were pretty drunk, Tussing said, and "we were having a lot of trouble getting

---

<sup>204</sup> Communication with author.

<sup>205</sup> Franz Kafka *The Trial*, (New York: Schocken Books, 1968), 253..

<sup>206</sup> Trask Tapperson, "Missing motive," *The Bellingham Herald*, September 11, 1984.

Mark back on the boat.”<sup>207</sup>

At that moment, they were also passing through the narrow upper reaches of Georgia Straits, and Tussing was nervous about making the hazardous passage without input from his skipper. However Coulthurst and Peel started wrestling in the wheelhouse, Tussing remembered, “and ... there wasn’t room for four in there, especially when two of them were horsing around.” Peel and Coulthurst took their wrestling match to the galley. Worried they were getting carried away and might get hurt, Larry Flammang intervened: “[He] told them to knock it off and put Mark in his bunk and John went downstairs to his bunk; and that was it.”<sup>208</sup>

Not long after they returned to Blaine, Peel was fired for being lazy, both Tussing and Flammang recalled. “It was a build-up,” said Tussing, recalling one time in particular when Coulthurst caught Peel “drinking beer and smoking pot while he was on wheel watch.”<sup>209</sup> Flammang said he had actually witnessed Coulthurst firing Peel:

We were getting the *Kit* secure for the winter in the Blaine Harbor and John was living in Bellingham at that time, and he either wouldn’t show up for work or would be late. And this one particular morning he was a couple of hours late or something, and when he came on the dock, Mark said, ‘Well, that’s it, John. Just get your gear off the boat. You’re done.’ And John said, ‘Okay,’ and he went aboard and got his gear and left.<sup>210</sup>

Flammang said Peel did not seem upset at the time, “he just shrugged his shoulders... He didn’t seem to be particularly concerned.”<sup>211</sup>

Other witnesses said there had been others signs of tension between Peel and Coulthurst. Charlie Hawkins, a Blaine resident and fisherman, would testify that when he had given Peel a ride on his boat from Washington state to Alaska in June 1982, Peel had referred to Coulthurst as

---

<sup>207</sup> Tussing, 1986 Ketchikan trial transcript, *Alaska v. Peel*, 14164.

<sup>208</sup> Ibid.

<sup>209</sup> Tussing, 1984 hearing of the Grand Jury, *Alaska v. Peel*, 173.

<sup>210</sup> Leroy Flammang, 1984 hearing of the Grand Jury, *Alaska v. Peel*, 192.

<sup>211</sup> Ibid., 192.

“a fucking asshole.”<sup>212</sup> Peel admitted to troopers that Coulthurst had been getting “uppity,” was moving too fast and had stopped paying the crew Christmas bonuses — so he had quit.<sup>213</sup> While Peel later admitted he had lied to police about not selling drugs to the *Investor* crewmembers, he steadfastly maintained that his split in the fall of 1981 with Coulthurst had been amicable, even though he confessed that there had been difficult scenes between him and his former boss — primarily because Peel liked to smoke marijuana and Coulthurst was a serious fisherman determined to succeed.

### ***Profile of a Mass Shooter***

If troopers were right about Peel, the *Investor* murders would fit within a particular modern American trend of violence that was just beginning to wreak of havoc on communities: mass shootings or rampages. A study by Newman, detailed in her 2004 book, *Rampage*, found that between 1976 and 1995, there were 483 mass murder incidences in the U.S. — an average two per month.<sup>214</sup> These shooting events had become so common that popular culture has developed expressions such as “going postal” or “going ballistic” for when someone — often a single male armed with a gun — erupted in a violent rage on a crowd of people.

Rampage shootings tend to take place in rural communities and, even though serial killers capture the imagination, Americans are more likely to be killed in a shooting rampage than by a serial killer, according to homicide researchers James Alan Fox, Jack Levin, and Kenna Quinet.<sup>215</sup> And while most Americans are murdered by their own family members, the second most common trigger to kill are incidences that stem from employment disputes, with as many as six people every month being murdered by a co-worker or former coworker.<sup>216</sup>

---

<sup>212</sup> Charles Hawkins, 1986 Ketchikan trial transcript, n.p.

<sup>213</sup> Stogsdill, 1984 hearing of the Grand Jury, n.p.

<sup>214</sup> Katherine S. Newman, Cybelle Fox, David J. Harding, Jal Mehta, and Wendy Roth, *Rampage: The Social roots of School Shootings* (New York: Perseus Books Group, 2004), 78-79.

<sup>215</sup> Alan James Fox, Jack Levin, and Kenna Quinet, *The Will to Kill* (Boston, Mass: Pearson Education Group, 2005), 131.

<sup>216</sup> Fox et al., *The Will to Kill*, 143. About 40% of mass murders are in the family.

Newman's study focused specifically on school shootings — a form of violence that is particularly terrifying, she said, “because they contradict our most firmly held beliefs about childhood, home, and community. They expose the vulnerable underbelly of ordinary life and tell us that malevolence can be brewing in places where we least expect it.”<sup>217</sup> Workplace shootings are especially similar to school shootings, she said, because the shooters view their human targets as symbolic of something greater. “School shooters may be angry at the entire social system of the school and the community,” she said. Workplace shooters may also be lashing out not just at the individuals, but at what the institution of work represents.

Newman's study illuminated a particularly interesting characteristic of school shootings: They are most likely to occur in rural and seemingly close-knit communities. Her study, she said, produced findings that were contradictory to commonly held beliefs about communities' roles in controlling violence. Emile Durkheim, the classical social theorist of the 19<sup>th</sup> century, argued that rapid social change produced a condition called “anomie,” which was essentially the breakdown of social bonds and commonly-held community morals that kept communities stable. As a result, researchers studying mass shootings have often argued they occur in places with breakdowns in traditional families — the ties that bind the communities together.

Newman found, however, that the most likely places for school shootings were exactly where everyone thinks they can never happen: tight-knit communities. “Dense, all-encompassing, interconnected networks of friends and family can make the lives of misfits unbearable and actually stifle the flow of information about potential warning signs,” she said.<sup>218</sup> There are a few reasons for this. First of all, it is within these close communities that people are also most likely to minimize strange behavior and to repeat stories about themselves that are incomplete, or in other words, people prefer to paint much “rosier” pictures of themselves than are true.<sup>219</sup> She noted that when community members first heard of a shooting, some were more willing to

---

<sup>217</sup> Newman et al, *Rampage*, p. 30.

<sup>218</sup> Ibid., 90.

<sup>219</sup> Ibid., 141.



believe it had been the work of an outsider — unwilling to believe that a member of their own community could have been so troubled and escaped notice.

Newman also rejected the idea that mass shooters simply “snap” one day, saying that it is an oversimplification of the process involved in a killer’s ultimate decision to go on a shooting rampage. “Our legal system supports this kind of logic —though probably more in popular myth, television, and movies than in reality,” she said. “We allow defendants to plead ‘temporary insanity,’ in which a person is briefly unable to tell right from wrong given the overpowering influence of his surroundings.”<sup>220</sup> The idea that a person could simply snap is popular because we are constantly searching for a way to explain difficult experiences, often settling on the most immediate potential cause, but the timing really only explains when a shooting happens rather than why.

Fox and Newman debunk other myths about mass murderers, including ideas that they kill indiscriminately or come from troubled families. Mass murderers tend to be deliberate and careful in both the planning and selection of victims, Fox explained. More often than not, the victims and location are carefully selected; the “killer sees them as responsible for his misfortunes.”<sup>221</sup> And while shooters often are marginalized members of society, “the oddballs in the office,” they are not always loners. Most actually had at least some friends and may come from stable homes, Newman said. The reason that getting laid off is a common trigger for workplace shootings is because the firing “drops their status to zero.”<sup>222</sup> The subsequent shooting rampage is an assertion of power, which they rationalize as fair retribution for their suffering. “To them,” Fox explained, “the murder is not a crime, it’s simply just desserts.”<sup>223</sup>

The homicide detectives who built the case against John Peel believed that he fit the profile of a classic rampage shooter. They had pieced together evidence that painted a portrait of

---

<sup>220</sup> Ibid., 82.

<sup>221</sup> Fox et al., *The Will to Kill*, 133.

<sup>222</sup> Newman, *Rampage*, 78-79.

<sup>223</sup> Fox et al., *The Will to Kill*, 139.

Peel as a man who was seething in resentment and jealousy after being fired by Mark Coulturst in 1981. Finally, in September 1982, he simply could not take it anymore — and snapped.

### PART III: MEMORY ON TRIAL

#### Chapter 11: The Grand Jury Indictment(s)

Wearing a green jumpsuit and a bulletproof vest, John Peel was escorted “through a gauntlet of reporters and photographers” and into a Whatcom County, Washington courtroom on Monday, September 10, 1984.<sup>224</sup> Just before reaching the line of cameras ready to snap the first photos of the accused, Peel’s attorney slipped a black and white ski mask over his client’s head. The mask almost completely concealed his boyish face and wavy dirty blonde hair, making it impossible for onlookers to get a good look at the man charged with the most heinous crime many of them had ever heard of.

The mask was mostly black, with white rings around the eyeholes and a diamond pattern encircling the neckline. His mouth and striking crystal blue eyes were the only visible parts of his face. Using it as a courtroom prop had been the bright idea of Peel’s lawyer, Michael Tario. “[The ski mask] was the best thing I could think of,” the rookie lawyer would tell a reporter about the decision to use a ski mask to hide his client’s face.<sup>225</sup> Tario said he toyed first with the idea of using a paper bag, but not knowing exactly how the community might react to seeing the accused killer for the first time, he worried a member of the public could rip it off too easily. He also wondered if maybe something comical would have worked too: “It would have been nice to have had a porky pig mask or something funny.”<sup>226</sup>

The intent was far from humorous, however. Tario’s plan was to shield his new client from pre-trial publicity that could harm his chance to defend himself. He already believed the case investigators had built against his client was a “house of cards,” made of unsupported evidence. Tario was afraid that a photograph of Peel’s face would be paired with a sketch of the *Investor* murder suspect and, by virtue of association, taint the already time-muddled memories

---

<sup>224</sup> Trask Tapperson, Eric Thomas, “Proceedings begin against John Peel in *Investor* case,” *The Bellingham Herald*, September 11, 1984.

<sup>225</sup> Paul Jenkins, “*Investor* murders: Long-awaited trial begins today,” *Associated Press*, January 20, 1986.

<sup>226</sup> Eric Thomas, “Tario seeks balance,” *Bellingham Herald*, January 8, 1986.

of these eyewitnesses. A request to ban photographers had been denied and an effort to negotiate an independent deal with, in Tario's words, "the vultures from the media," had also failed. Tario resorted to what seemed like the next best option: the black ski mask.<sup>227</sup>

The effect was chilling.

Instead of a picture of a fresh-faced young fisherman spread across the front page of his hometown newspaper, the *Bellingham Herald*, what appeared the next day was a large photograph of a masked condemned man under the headline: "Murder suspect held for Alaska." One journalist's description of Peel himself was particularly revealing: "If there is anybody in the case who *doesn't* look like a Central Casting mass murderer, it's John Peel," the journalist wrote, "Peel is the kind of generically good-looking man who should be modeling permanent-press slacks in a J.C. Penny catalogue."<sup>228</sup> In the black ski mask however, Peel resembled an image of what people want their killers to look like: an inhuman guilty monster. One victim's relative even saw this photo and mistakenly believed that Peel had worn the shroud for the duration of the trials, cementing her belief in his guilt. Why else would someone hide his face?

The careful measure to conceal his face may have proven to be a wasted effort, however. On the inside pages of this same edition of the *Bellingham Herald*, newspaper editors paired John Peel's senior high school class photo with a composite drawing of a man in a baseball hat — the person everyone believed was the murderer of the *Investor* crew.

When Sue Domenowske's mother saw the newspaper article announcing Peel's arrest, she clipped out the sections that included the two pictures of Peel, mailing them to her daughter. Domenowske had been one of several people who had seen the mysterious skiff driver and provided physical descriptions to police. When she opened the mail from her mother, Domenowske "was shocked." Though she could not see his face, the masked man in the picture had a similar body type to the skiff driver. She had an even stronger reaction to Peel's graduation

---

<sup>227</sup> Ibid.

<sup>228</sup> Carbonara, "A Burnt-Out Case," 270-271.

photo. She could not even bear to see it. “I looked at it, and I just closed it back up,” she said.<sup>229</sup> She then re-opened it and gazed in disbelief.

She was sure it was the same man she had seen driving the skiff.

Stogsdill told a newspaper reporter the day of Peel’s arrest that the case they had put together against Peel was as solid as a three-legged stool.<sup>230</sup> At the time, however, three individuals — including the man who would become the prosecution’s star witness — had yet to tell police the story of what they remembered. Was Stogsdill bluffing the public? Or was he simply using the press to compel these and witnesses to come forward with their recollections of that foggy night? Several witnesses described undergoing intense interrogations by detectives during the few days leading up to the grand jury hearing. The state was firming up their case against Peel. They hoped that with Peel under arrest, these witnesses would feel more at ease in sharing their recollections.

The strategy — if that’s what it was — worked on at least three witnesses, who each caved at the eleventh hour and revealed critical evidence against Peel. Larry Demmert, Dawn Holmstrom and Brian Polinkus all succumbed to the stress. Faced with pressure from police and state prosecutors during intense pre-grand jury interviews, they each revealed memories of Peel that put him at the scene of the crime the night of the terrible murders, or afterwards, unwittingly revealing to them too much knowledge about the murdered *Investor* crew — information only a killer would know. All were Peel’s close friends and all would later complain about their treatment by police and state prosecutors during these intense interviews.

On September 21, 1984, grand jury proceedings were underway in the grand jury room at the state office building on at 415 Main Street in Ketchikan. “The proposed indictment for this morning is a nine-count indictment, State of Alaska versus John Kenneth Peel,” said Mary Anne

---

<sup>229</sup> Domenowske, 1984 hearing of the Grand Jury, 215-217.

<sup>230</sup> Tapperson, “Missing motive,” *The Bellingham Herald*.

Henry.<sup>231</sup> “P-e-e-l,” Henry spelled out and then listed the nine counts against Peel, naming each of the eight victims who had been murdered just over two years before — and one count of arson for the fire set aboard the *Investor*.

Mary Anne Henry was a Harvard Law School graduate who grew up reading crime novels in Minnesota and dreaming of being a lawyer. Colleagues described her as “a dedicated career prosecutor” who was “calm and collected and... doesn’t get rattled.”<sup>232</sup> She was a born prosecutor. “Back in Cambridge [at Harvard Law School], she had briefly tried defense work and hated it.”<sup>233</sup> Henry’s courtroom approach was comparatively low-key, with a usually “soft and deliberate” voice, but she also had a quick temper, displaying frustration in seemingly uncharacteristic angry outbursts. In 1975 Henry, then in her mid-twenties, became the first woman attorney in the Anchorage District Attorney office. Six years later in 1981 when she was appointed to the Ketchikan District Attorney job, she was only the second woman DA in Alaska.<sup>234</sup>

The *Investor* murders were one of Henry’s first cases as a new district attorney. She had been on the case from the day one, meeting the burned bodies of four victims at the Ketchikan airport. The case, she admitted, was “more bizarre than any of the murder mysteries she read as a girl.”<sup>235</sup>

Henry explained to the jurors that it was up to them to determine the probability of the defendant’s guilt should he go to trial. This meant that, similar to the duties of jurors at a regular trial, their duties were to decide whether to believe a witness, to determine the weight they should give to an individual’s testimony, and whether the evidence overall was substantial enough for a formal accusation. She instructed them specifically on how to weigh eyewitness evidence. When listening to witnesses’ testimony jurors, they were to observe the witness’s

---

<sup>231</sup> Mary Anne Henry, 1984 hearing of the Grand Jury, *Alaska v. Peel*, n.p.

<sup>232</sup> Eric Thomas, “*Investor* prosecutor tackles her most difficult case,” *Bellingham Herald*, January 6, 1986.

<sup>233</sup> Carbonara, “A Burnt-Out Case,” 271.

<sup>234</sup> Thomas, “*Investor* prosecutor tackles her most difficult case.”

<sup>235</sup> Ibid.

attitude, behavior, and appearance, she said, as well as, the witness's "opportunity and ability to see or hear the things about which he testifies, the accuracy of his memory, and the consistency of the ... testimony and whether it's supported or contradicted by other evidence."<sup>236</sup>

She reminded jurors that many of the people testifying witnessed horrific events that probably affected them profoundly, but that the things they saw happened during a very short, yet traumatic, period of time that occurred over two years before. "Inconsistencies and contradictions in a witness's testimony or between his testimony and that of others do not necessarily mean that you should disbelieve the witnesses," she cautioned. "It is not unusual for persons to forget or be mistaken about what they remember." Many of the witnesses were friends of the defendant and they probably have had a hard time believing that a friend or a neighbor could be guilty, she warned. Along with all the other considerations, they should take this knowledge into account as well.<sup>237</sup>

Henry provided evidence for a chilling narrative of events in which Peel, in an "explosion of emotion" had ruthlessly murdered the *Investor* crew and torched the boat to destroy evidence. Something had happened that night that triggered Peel's rampage, she said, "not by plan, and not by design, but by the simple yet deadly combination of human emotion, anger, frustration, jealousy, humiliation, and maybe some more.... Once he had fired that first shot, he had to continue firing shots because everyone on the *Investor* down to four-year-old John Coulthurst knew John Peel. And when John Peel was done, eight people were dead."<sup>238</sup>

Stogsdill, as chief investigator, then provided an opening statement, explaining how the investigation was conducted and laying out the case against Peel. He said that it was not until a year after the murders, when they started talking to crewmembers of the *Libby 8* that they learned that Peel had been lying to them. He said it was Peel's lies that had tripped him up.

He said Peel had lied about selling pot, he had lied about where the *Investor* was tied

---

<sup>236</sup> Henry, 1984 hearing of the Grand Jury, *Alaska v. Peel*.

<sup>237</sup> Ibid.

<sup>238</sup> Henry, 1986 Ketchikan trial transcript, *Alaska v. Peel*, opening statement.



up (Peel had said South Cove not North Cove), he had lied about where he was Sunday night, and he had lied about the day he left Craig (Thursday instead of Wednesday). About the last lie, Stogsdill figured, “maybe he’s trying to show me that he’s not in a hurry to go anyplace.”<sup>239</sup> The lies were a red flag, he said, and no one else lied to them the way Peel did.

Stogsdill laid out the scenario for why they believed Peel had snapped. Coulthurst had fired Peel for laziness in the fall of 1981, he said, forcing Peel to look for another fishing job. In the spring of 1982, Peel got a job with another skipper in western Alaska, but was again fired for laziness. Desperate for a job, Peel made his way to Ketchikan with the hopes of getting to Craig. He was confident his childhood friend, Larry Demmert, who was skippering a seiner out of that town, would hire him as a deckhand. Upon his arrival in Ketchikan, however, Peel thought he was in luck when he discovered his former boss, Mark Coulthurst, was tied up at the docks with his new seiner. Peel hoped Coulthurst would give him a ride to Craig, but when Peel asked for a ride, Coulthurst refused to take him. To get to Craig, Peel instead had to pawn his Seiko Quartz watch for \$10 to buy a ferry ticket. And when he reached Craig, minus his fancy watch, he saw the *Investor*.

“It irritated him,” Stogsdill said.<sup>240</sup>

Peel got a job working on the *Libby 8*, which was a real beater — especially compared with the shiny state-of-the-art *Investor*. When the *Investor* pulled in to Craig that Labor Day weekend and Peel’s former crewmates bragged about their successful season and making three times what Peel had made, Peel’s ego continued to chaff. Later that night, Peel went over to the *Investor*, perhaps to wish his former skipper well on his birthday, but ended up being rebuffed and kicked off the boat. Stogsdill explained that Peel, in a fit of unresolved rage, shot and killed all eight crewmembers — including Coulthurst’s pregnant wife and two small children.

Mike Stewart was shot in his bunk on the starboard side of the *Investor*, while Chris Heyman and Dean Moon were shot while in their bunks on the port side. Jerome Keown was

---

<sup>239</sup> Stogsdill, 1984 hearing of the Grand Jury, 38.

<sup>240</sup> Ibid.

found, “shot, right by the door of the galley, like he was going out to the deck. Maybe he was trying to get away,” Stogsdill said. Kimberly’s body was found in the skipper’s stateroom. “What we could find of her, we can only say that it looks like she probably suffered some blunt force, bludgeoned maybe. Who knows?” Johnny’s body never was found. He often slept in a daybed in the wheelhouse, which was a part of the boat that had served as a sort of chute for the fire. The noise of the shootings would have been drowned out by the roar of auxiliary generators running on the dozens of boats rafted to the docks.

Using his knowledge as a skilled fisherman, Peel then loosened the *Investor*’s tie lines from a neighboring boat and motored out into the foggy harbor, an area that could be only be navigated by someone with local knowledge of the shallow areas. Peel anchored the *Investor* about a mile offshore in the cove of a tiny island, Fish Egg Island, where he tried to scuttle the vessel by opening the valves in the engine room. On many boats (but not the state-of-the-art *Investor*), this effort would have done the intended job. Believing his efforts at sinking the boat to have been successful, he returned to town using the *Investor*’s skiff in the early hours of Monday, September 6, docking the skiff at the float for the Phillips Cold Storage. A storm rolled in to Craig that morning, enveloping the islands in a thick swath of fog, hiding the *Investor* from view. Later that day, Peel blended back into the scene in Craig and joined his crewmates doing cleaning chores on the *Libby* 8.

The following morning, on Tuesday, September 7, the fog over the harbor lifted and the sun shone, revealing to anyone on shore the profile of the *Investor* still anchored near Fish Egg Island. Stogsdill said that it was only then that Peel realized that his attempts to sink the vessel had failed. He still needed to hide the evidence of what he had done. He purchased a jug of regular gasoline from the Chevron station and, again using the *Investor*’s skiff, he returned to the purse seiner, dousing it with gas and set it on fire, sending a plume of black smoke into the clear sky that quickly became visible from town.

Peel escaped from the burning carnage using the *Investor*’s skiff, encountering several individuals racing to respond to the emergency of a boat on fire. In an effort to quickly find an

alibi, Stogsdill said Peel met up with a friend from Bellingham, Dawn Holmstrom, who was on her way to the bank to cash a paycheck. They walked together for a ways, splitting so Peel could use a pay phone to make travel arrangements to leave Craig the following afternoon, anxious to flee the scene as quickly as possible. Peel returned to the docks and saw several of his friends loading up on a purse seiner to drive out to the burning vessel to see what was happening. When his friends asked if he wanted to join them, Peel declined.

The following morning, Peel shared a booth with his friend Dawn Holmstrom at a local restaurant. Peel and Holmstrom had known each other since the fifth grade and were good friends. Holmstrom also knew Mark Coulthurst; he had been her neighbor when she was younger. Peel was sobbing over the deaths of the *Investor* crew and, according to Stogsdill, he confessed to Holmstrom, telling her he could not believe what he had done. Later that afternoon, he accompanied a fellow crewmember to a bar to have a couple of drinks and wait for a flight back to Ketchikan and then to Seattle. During the flight from Ketchikan to Seattle, Peel continued to drink heavily and ended up locking himself in the airplane's bathroom, passing out. Upon arrival in Seattle, he had to be hauled off the plane, too drunk to walk on his own.

The prosecuting team alleged that his quick departure from Craig and subsequent heavy drinking were indicators of his desire to escape the scene of the murders and alleviate feelings of terrible guilt over what he had done.

### ***Larry Demmert Jr.***

When Assistant District Attorney Bob Blasco introduced Larry Demmert Jr. that afternoon to testify, he said Demmert was going to reveal information he had told police just that morning. “What you’re going to hear from Mr. Demmert was not in the presentation and is not in the presentation because we didn’t know at the time that Stogsdill made his presentation.”<sup>241</sup> Four days later, on September 14, he even donated \$200 to Peel’s defense fund — we know because he wrote a check for the donation. He was now going to tell a different story.

---

<sup>241</sup> Demmert, 1984 hearing of the Grand Jury, n.p.

Demmert introduced himself to the jurors and described what he had been doing in Craig the night of the murders. Demmert had been Peel's boss for the salmon fishing season, running the *Libby 8*, a seiner he leased from a local cannery.

On the night of September 5, 1982, Demmert said he had been at his girlfriend's house watching TV until about 10 or 10:30 p.m. when he walked back to the *Libby 8*.

"Walking back to the boat, what did you see around the *Investor*?" Blasco asked.

"I saw one person with the character of — it looked like John Peel crossing from the middle boat to the *Investor*." Demmert said, describing what looked like a small party with a few people on the *Investor*. He said the man's physique resembled Peel's, and he "had on a — the flannel-type shirt and blue jeans and dark blue pants or something."

"Did you notice anything about his hair?"

"His hair was all straight out to the side and messed up and pretty — It was blond hair... sort of like my brown, more blond though," Demmert responded. "It had a brown streak or two in it, but it was greasy or dirty. It looked dirty sticking out, sticking off to the side." Demmert said the person was struggling to get across the boats and that it looked like it was difficult him to get on to the *Investor*.

"Why was that?" Blasco asked.

"Well, because he was — the bulwarks were so high and he was probably inebriated," Demmert said. "The way he was staggering around, trying to crawl onto the boat with one leg up, and it was just an awkward way to get on the boat, not a natural way." Demmert also noticed that the man was holding a can of beer in one of his hands.

"All right, Larry," Blasco said, "When you're walking down the dock and you see this person just as you've described... who immediately came into your mind as this person?"

"John Peel."

"What did you do after that, Larry?"

"I went to my boat and got ready for bed, read, and went to sleep."

"And after you went to sleep, did something wake you up?"

“Yeah, I got woke up by a scream.”

“What kind of scream, Larry?”

“A murderous scream.”

“Larry, what kind of scream?” Blasco repeated his question.

“It was a high woman’s scream, shrill, whatever, you know,” Demmert said, “like a bloody murder scream.” When he heard the scream, Demmert said that the first thing that came to mind was that somebody was either getting beat up or killed so he peered out the window in his stateroom.

“What’s the first thing you saw, Larry?”

“Let’s see,” Demmert said. “I looked out my side porthole, didn’t see anything, then checked the boat and looked out the front and saw ...”

“Did you see anybody on the dock?”

“On the dock, yes.”

“What did you see? Describe the person.”

“John Peel carrying a rifle,” Demmert said. “He had his ... blue hat with a marijuana leaf on it, and blondish hair, the messed-up blond hair, and his dark clothing, the flannel shirt.”

“Did you see his face, Larry?”

“Yes.”

“Who was it?”

“John Peel.” At this moment, Demmert said a wave of fear overcame him and he felt that something terrible had just happened. “I felt evil presence all around, which really scared the heck out of me so I locked my doors and hid.”

Soon after he locked himself in his stateroom and hid under his covers, he heard a thump on the boat, the sound of somebody on board. Demmert was petrified and afraid for his own life. He heard the person go down into the fo’c’sle — where the crew slept — and heard a door close. He heard more indistinguishable noises and then it sounded like the person was getting off the boat.

“How were you feeling then, Larry?” Blasco asked.

“Real scared,” Demmert responded. “I mean there was evil — evil presence in the air so thick you could breathe it.” Demmert tried to go back to sleep, but his sleep was “fitful.” In the morning he woke up and looked out the window again only this time he saw the *Investor* drifting away. He could see someone in the wheelhouse of the *Investor*, but he did not recognize it as being anyone from the *Investor*’s crew.

“What did the person do?”

“He looked at me.”

“When he looked at you, Larry, how did you feel? What went through your mind?”

“Shocked and amazed and scared,” Demmert said. “I was totally scared for my life. Why was I scared? Because it wasn’t anybody that was on the crew and ... because it was my crew member that was on the boat, and he shouldn’t have been there.” Demmert said he was so scared that he immediately closed the window and went back into hiding.

“Larry, who was the person that looked at you?”

“John Peel.”

When the bodies were found on the *Investor* the following day, Demmert said he knew now why he had been so scared that night. He believed Peel was responsible for the murders and when Peel told him that he planned to fly back to Bellingham rather than travel down on the *Cindy Sue* as originally planned, Demmert was relieved.

For the next two years Demmert remained silent about what he had seen. He had been too scared to come forward. “I was in a state of shock,” he said. “I had a mental block, just put it back out of my mind because I had known the person, he was a crew member of mine, and I didn’t want it to be true.”

“But is it?” Blasco asked.

“Yes, it’s true.”

### ***Dawn Holmstrom***

The next morning, Dawn Holmstrom was the first witness to testify at the grand jury

hearing. Like Demmert, she also would end up telling a story to grand jurors that she had only revealed to police within the last few days.

Holmstrom introduced herself and described how she worked on the *Libby 8* that summer with both Peel and Demmert — and that she knew the whole *Investor* crew as well. She told the jurors how the night of the murders, she had made a taco dinner for the crews of the *Libby 8* and the *Cindy Sue* and after they were all finished, she was left to clean up the mess, which she did alone until about 8 o'clock that night. No one else was on the boat and then she left to go spend the night in town, returning to the *Libby 8* the following morning. The only person around when she returned was her skipper. Brian Polinkus, another *Libby 8* deckhand, showed up from down below soon after they started the engine to head to the cannery to unload gear.

“Was John Peel on board the boat that day?” Blasco asked Holmstrom.

“No,” Holmstrom responded. She hardly saw Peel at all that day, if at all, she said. She described seeing the *Investor*'s skiff at the cold storage dock, which was a little unusual.

The next day, while she was walking up the dock to the cannery, she ran into Peel and they walked to the bank. During the walk, they noticed the smoke from a boat on fire in the harbor. Holmstrom went into the bank to cash a check and then walked down to the *Cindy Sue*, which was just coming in from the fire. She went out on the *Cindy Sue*'s next trip, but Peel was not on board. She soon learned from Demmert Sr. that bodies had been found on the *Investor*. She also learned from her boyfriend's father, Greg Johns, a local Craig fisherman who had assisted police with removing the bodies, that the victims “had either a severe blow to the head or they had been shot.”<sup>242</sup>

When she saw Peel that day, “he was wearing a flannel shirt and blue jeans and his blue hat with the pot leaf on it,” she said.

Holmstrom's answers to Blasco's questions were mostly short, single-sentence answers. Many times she only answered “yes” or “no.” She described how the next morning, Wednesday, September 8, she was pretty shaken up by the incident because she knew the crew well and so

---

<sup>242</sup> Holmstrom, 1984 hearing of the Grand Jury, 256, 9-22-84.



when she ran into Peel in town, the two of them went into Ruth Ann's Restaurant. Blasco asked Holmstrom, "What did you do in Ruth Ann's?"

"We sat down and talked."

"Now, take it step by step, Dawn. Where did you sit?"

Dawn explained that they sat across from one another in a booth and while Peel seemed normal, Holmstrom was very upset. "Did you have any conversation with John?"

"Yes."

"Was it about the *Investor*?"

"Yes."

"How did it start?"

"He told me that he couldn't believe anybody could do that to his friends, and then he said he was scared."

"Dawn?"

"What?"

"Relax."

"I know."

"Dawn, put yourself in Ruth Ann's and tell the Grand Jury what he said."

"He started crying, and I went — and he told me that it all happened so fast, that he couldn't believe that he did it."

Holmstrom was clearly stressed over her testimony and Blasco continued to press her for more information. "What else did he say, Dawn?"

She paused for a while without answering and Blasco told her to take her time and to relax.

"I can't believe I could have done that. It all happened so fast," Holmstrom replied. Holmstrom said she couldn't believe what she was hearing and his statement scared her. Peel started crying and muttered a few jumbled statements that contradicted his "confession." Peel seemed to speculate that maybe Mark Coulthurst had killed everyone and that Peel needed to go

check the airlines to see if Irene and the kids had already flown out.

But Holmstrom said it was Peel's eyes that frightened her. He had the same look in his eyes as when his photograph had just been published in the *Bellingham Herald* announcing his arrest, she said, now crying in front of the grand jury. "Because he had a mask on, and he looked — his eyes looked exactly the same they did before."

### ***Brian Polinkus***

Brian Polinkus, also a *Libby 8* crewmember that summer, testified soon after Holmstrom at the grand jury. Polinkus described Peel selling \$400 of marijuana to Dean Moon and Jerome Keown that Sunday afternoon, eating a taco dinner on the *Libby 8*, and then walking to the Hill Bar with John Peel afterwards to drink. "We sat down. We had a drink. I turned around for a moment or so," Polinkus recalled, "and he was gone." This was surprising to Polinkus, but he found some other friends to hang out with and kept drinking, returning to the *Libby 8* around midnight. He peeked into Peel's bunk, but Peel was not there. The next morning, on Monday, he said, Peel still was not in his bunk. He heard the engine start up, but did not feel like getting out of bed to help untie the boat like he normally would have. Polinkus did not recall seeing Peel help on the boat at all that day.

The next time he saw Peel was not until the following day, on Tuesday, the day of the fire. "It was in the afternoon, three — four o'clock," he said.

"Could it be earlier?" Blasco asked.

"It could have been earlier, yes."

Polinkus said he asked Peel where he had been Sunday night and Peel told him he'd spent the night with Robin Thomas, a local Craig woman he dated briefly that summer. He remembered Peel also told him he was still too busy to help on the boat and left to go make phone calls. Polinkus described for the jury what Peel had been wearing: "He was wearing a green flannel shirt with checks on it. He was wearing holey jeans. He was wearing rubber boots. He had on a blue hat that had an emblem on it that was a marijuana leaf that had been dipped in gold and it was a gold-plated marijuana leaf."

The next time he saw Peel was on the cannery dock soon after the fire broke out. Polinkus said he told Peel that it was the *Investor* burning because he figured that Peel would be interested in that information since he used to work for Mark Coulthurst. Peel responded that he already knew it was the *Investor* because he'd heard it over the VHS radio. Polinkus then invited Peel to join him and several other crewmembers on the Larry Demmert Jr.'s dad's boat, the *Cindy Sue*, to see if they could help. Peel did not want to go, which surprised Polinkus.

"He told me that he had too many things going," Polinkus said. "He was trying to fly out, trying to make reservations. He told me that he was trying to receive his settlement check from Columbia Wards [cannery]. He told me that he was busy trying to call home to his parents and schedule a trip with them to Reno."

Polinkus went out to check out what was going on with the burning *Investor* and when he returned, he again saw Peel. He noticed Peel was wearing the same clothing and that "his eyes had a twitch to them." He attributed it to nervousness and anxiety. He was also carrying under his arm a tin box of marijuana that he had received in the mail a few days before. Knowing that Peel was friends with the crew, Polinkus asked him about what he thought happened to the *Investor*.

"He told me that he speculated that Mark Coulthurst, the skipper of the vessel, could have quote, unquote, 'tweaked out and could have taken the crew and everybody out and shot them, burnt the boat and then shot himself.'" Polinkus said he felt that this was "pretty wild speculation" and they did not even know yet that anyone was even on board. He figured they probably had taken the skiff to a nearby island to go hunting or something. Polinkus said that during the conversation, Peel did not appear to be upset at all.

On Sept. 21, 1984, the grand jury announced that it had weighed the evidence against Peel and found there was enough to warrant an indictment. Peel was charged with eight counts of first-degree murder and one count of arson.

### ***Allegations of Misconduct***

It took about a month before Stogsdill's three-legged stool began to wobble, beginning with accusations from Holmstrom and Polinkus that investigators had coerced their testimonies

at the grand jury trial. Later Larry Demmert would make similar allegations. In October 1984 Judge Schulz received a six-page letter from Bellingham attorney, Philip Rosellini, representing Holmstrom and Polinkus, explaining that each of his clients had independently complained about the way they were treated in the days leading up to the grand jury. He then described in detail the nature of his clients' complaints against investigators:

My clients relate a litany of foul language, threats, accusations and treatment during that last interview... The result was that certain statements made by witnesses to the Grand Jury do not accurately reflect the witnesses' recollection and as a consequence are misleading.<sup>243</sup>

If the charges were proven to be true, he said, "law enforcement personnel and one member of the District Attorney's office may be guilty of misconduct."<sup>244</sup>

More significantly, the prosecution was also in danger of losing their star witness, Larry Demmert, who was also the only person who could put Peel on *Investor* the night of the murders. Without him, their case could crumble. Soon after the 1984 grand jury trial, the defense team learned Demmert had been so wildly anxious in the few days leading up to the hearing that when he arrived in Ketchikan, he showed up at the district attorney's office and — clearly drunk or high and carrying a loaded gun — began "muttering that he was a 'star witness'"<sup>245</sup> He had apparently run out of his Valium prescription and needed more to calm his nerves over testifying. Henry sent him to a local doctor who ended up providing him a dosage that was twice his normal prescription.

That week leading up to the grand jury trial, Demmert said he was taking up to 70 mg of Valium a day, but denied taking any the day of his testimony when he fingered his old friend John Peel as the man he saw on the *Investor*. In February 1985, during an interview with Weidner and the defense team, Demmert continued to complain about his treatment by investigators.

---

<sup>243</sup> Philip Rosellini to Judge Thomas Schulz, October 18, 1984, *Alaska v. Peel* (Juneau: Alaska State Archives).

<sup>244</sup> He said that present at those interviews was Assistant District Attorney Bob Blasco, Trooper Bob Anderson, and Officer Dave McNeill from the Bellingham Police Department.

<sup>245</sup> Carbonara, "A Burnt-Out Case," 276. This story is corroborated by numerous court records.

Demmert now wanted to change his story, but wanted immunity. He said, “the drug impaired his memory and made him more inclined to tell prosecutors what he thought they wanted to hear.”<sup>246</sup> He was also worried about being accused of the murders if he did not tell a convincing story. When Henry heard this, she dismissed this idea and that Demmert was never a suspect. “Some witnesses are more afraid than they have to be and Larry was just one of those witnesses,” she told Carbonara.<sup>247</sup>

Another problem that surfaced for the prosecution was that the transcripts of the recordings of Peel’s “confession” were inaccurate. Weidner argued that Stogsdill’s reading of the transcript of the March 1984 interview with Peel didn’t reflect the actual words spoken by Peel. Judge Schulz listened to the recording, and he agreed with the defense. “It’s undisputed now that the transcript was not correct,” Judge Schulz said.<sup>248</sup>

Investigator Stogsdill had been the last person to take the stand before the grand jury deliberated on whether to issue an indictment of Peel — only this time as a witness. He summarized his role in the investigation and the three times Peel was interviewed by police — on September 18, 1982, November 21, 1983, and March 24, 1984.<sup>249</sup> During his testimony, Stogsdill read significant portions of transcripts of the interviews — all three of which had been recorded — allowing jurors to hear in Peel’s own words the story of where he had been during the time of the murders.

That night, I crashed out early, you know. We had been drinking beer and stuff. I must have went to sleep about seven, eight o’clock that night. Pretty early. I think I was the only one on board when I was – you know, until everybody else got done there partying. I remember I was all burnt out that night and went to bed early and got up early.

---

<sup>246</sup> Carbonara, “A Burnt-Out Case,” 276-277.

<sup>247</sup> Ibid.

<sup>248</sup> Judge Thomas Schulz, “Published Decision,” August 30, 1985, *Alaska v. Peel*, No. IKE-S84-1010 (Juneau: Alaska State Archives, 1986).

<sup>249</sup> This did not include the brief conversation Kolivosky had with Peel in Craig the day after the *Investor* fire.

Stogsdill read another portion of the transcript that illustrated Peel's lies about selling drugs to the *Investor* crewmembers. During the September 18, 1982 interview, Peel admitted he had "partied" with Dean Moon sometimes and that he smoked pot every on occasion: "Well, the stuff's so expensive up there, who can afford, you know. But when we get a chance, if somebody pulled one out, we'd smoke it, yeah." During the November 21, 1983 interview, Stogsdill was more straightforward and asked Peel if he ever sold any pot to Dean Moon and Jerome Keown. "No. I gave them a little bit of what I had on the boat there," Peel had responded.<sup>250</sup>

By far the most incriminatory statements, however, Stogsdill said, had been made by Peel during the March 24, 1984 interrogation at the Bellingham Police Department. During that interview, Stogsdill watched as Sgt. Flothe and Sgt. Galyan questioned Peel. He read two lines from the transcript aloud for the jury:

Galyan: Well, John, you've got to make up your mind.

Peel: I'm scared, man. I'm scared. I can't believe the things I did in there.

In a grand jury, jurors are allowed to ask questions of witnesses and one witness was clearly perplexed about this exchange between Galyan and Peel and wanted to know more. "In there? Where? That's all he said? So all you can do is speculate?" "Yes," District Attorney Henry responded. "All you can do is, take it for what it's worth. And although that's taken, you know, out of context, it's not distorted, I can tell you that."<sup>251</sup>

Judge Schulz listened to the recording, but declared it to be "unintelligible," for significant portions, probably because the tape recorder was located in the next room. If one listened closely to the tape recording, Peel's statement was actually, "I can't believe the things you think I did in there." The transcript was in error. The Judge decided that the mistaken transcript was not a serious infraction, however. He concluded the jurors appeared to put little weight on Peel's statements in the interrogation room anyway so it was not a compelling reason to toss out the indictment. The Judge also rejected the idea that witnesses had been coerced, saying "there is

---

<sup>250</sup> Stogsdill, 1984 hearing of the Grand Jury, n.p.

<sup>251</sup> Ibid., 449.

no factual basis to support the allegations that they were intimidated, brainwashed, hypnotized, sworn at.”<sup>252</sup>

The Judge thought Dawn Holmstrom in particular was not a victim of prosecutorial misconduct, but of witness remorse, and was simply blaming prosecutors for the stress that came from her being friends with both the victims and their accused murderer. “Now if I were a finder of fact,” Schulz said, “it would take me about 3 seconds to decide that ... [Holmstrom] thought she was telling the truth when she said what she said.” The Judge believed it was clear how nervous she was, and “her reaction strikes me as the reaction of a person who has seen several of her friends apparently murdered by another friend of hers. And I think she just wishes she didn’t know anything about that.”<sup>253</sup>

But in the Judge’s view there was a more serious problem, one that forced him to throw out the murder charges against Peel. In August 1985, Schulz threw out the Peel indictment on the grounds that state prosecutors “had made one hell of a mistake” by withholding information from grand jurors.<sup>254</sup> He said that the prosecution had neglected to tell the grand jury that a potentially important piece of evidence was not what it seemed to be. In the Judge’s view the state had been deceptive about the type of gasoline that had probably been used to destroy the *Investor*.

According to witnesses, John Peel was seen on the day of the fire supposedly purchased a five-gallon a container of regular gasoline, which is a cocktail of fuel and additives designed to burn smoothly in internal combustion engines. But the truth was that the residue found on the *Investor* had been from pure white gas—a simpler fuel often used in Coleman stoves. It was possible that regular gas had been used to destroy the *Investor*, but any leftover residue burned away by the intense heat of the fire, but the jury did not have the opportunity to determine for themselves whether this discrepancy was crucial or not in bringing an indictment. The Judge

---

<sup>252</sup> Schulz, “Published decision.”

<sup>253</sup> Ibid.

<sup>254</sup> Eric Thomas, “Lawyers spar in flurry of pre-trial jabs over Peel case,” *Bellingham Herald*, January 9, 1986.



believed the jurors should have been able to question an arson expert on the issue.

According to Judge Schulz, the prosecution had “presented evidence improperly” and if the discovery of white gas had been important — as Sgt. Stogsdill had strenuously highlighted during an earlier bail hearing — this fact should have been mentioned. Schulz scheduled a new grand jury hearing.

Just prior to the second grand jury, on October 1 and October 2, 1985, an attorney for Demmert questioned the judge about whether his client could be granted immunity from perjury if he changed his testimony. Demmert’s attorney warned the court that “there’s going to be some substantial changes” to Demmert’s testimony in the second grand jury, changes that might undermine the entire case against Peel. “I expect he will indicate to the Grand Jury that he did not believe that he saw the boat leave the harbor that morning, and he did not believe that he saw Peel at the wheelhouse.”<sup>255</sup>

Demmert’s attorney warned the court that his client’s testimony might change in several other “significant” areas. In the first Grand Jury Demmert had claimed that he had seen Peel with a gun and that he was afraid of Peel. Now the way he recalled that early morning, he “had awakened from what he now believes was a bad dream, was very scared.”<sup>256</sup> Finally, his recall of Peel being the individual crossing from one boat to another would change to greater uncertainty. He claimed the reason for his false testimony previously was because of pressure from investigators and prosecution to be absolutely certain of his recall of the events.<sup>257</sup> When he took the stand during this second grand jury hearing, Demmert pleaded the Fifth Amendment dozens of times in response to prosecutor’s questions until he was granted the immunity he wanted.

After a grand jury trial, this time lasting three weeks rather than just two days, Peel was again indicted on eight counts of first degree murder and one count of arson. To avoid the risk

---

<sup>255</sup> Thomas E. Schulz, “Transcript of Court Proceedings,” October 1-2, 1985, *Alaska v. Peel* (Juneau: Alaska State Archives).

<sup>256</sup> Ibid.

<sup>257</sup> Ibid.

of a second grand jury indictment getting tossed out, the prosecution team had called several additional witnesses to corroborate the case against Peel, lengthening the duration of the hearing. Furthermore, witnesses such as Larry Demmert who wanted to change their testimony since the first grand jury hearing, were still negotiating with the state over immunity agreements that would shield them from perjury. To escape those charges, Demmert pled the Fifth Amendment nearly 100 times during the hearing before the prosecution team agreed to an immunity deal. Nevertheless, the Grand Jury chose to indict Peel a second time on all charges in October 1985.

Three months later, in January 1986, the *State of Alaska v. John Peel*, the biggest mass murder trial and most expensive criminal case in Alaska history, would begin in Ketchikan. The trial would last eight months and the jurors would hear from 150 witnesses that were called by both the prosecution and defense.

On August 28, 1986, after six days of deliberations and after hearing testimony from nearly 150 witnesses, a nine-woman and three-man jury announced that they simply could not reach a decision on any of the counts. They were split eight to four leaning toward an acquittal on seven of the eight murders and nine to three on the murder of Moon, one of the missing crewmen. They were split seven to five on the arson count. Judge Schultz declared a mistrial. For the majority of the jurors, the state's case against Peel just was not believable enough for a conviction. But the state was determined that Peel was the culprit and worked the next several months for an opportunity to re-try the case.

## Chapter 12: Cross-Examining Memory

Eyewitness testimony formed the cornerstone of the State of Alaska's case against John Peel, but as time wore on, eyewitnesses' memories became muddled. As memory expert Elizabeth Loftus once said, "... aside from a smoking pistol, nothing carries as much weight with a jury as the testimony of an actual witness."<sup>258</sup> During an investigation, eyewitnesses help lead investigators to a suspect, and they also provide crucial evidence during trials. Eyewitness testimony can help convince a jury of the guilt of the accused, thereby securing a conviction. Therefore the brunt of Peel's defense was an attack on the truthfulness of memory itself, and Weidner's defense strategy was to discredit every witness District Attorney Henry called to the stand, calling into question their memories and at times blaming police interrogation techniques for changing witnesses' memories.

During the 1986 trial lead prosecutor Mary Anne Henry called the several witnesses who had claimed to see someone driving the skiff away from the burning *Investor*, including Jan Kittleson, Bruce Anderson, Charles Clark, Sue Domenowske, and Paul Page. Joseph Weiss, the graduate student who belatedly recalled seeing a man operating the *Investor*'s skiff the day before the fire, also testified. She called Jim Robinson and Richard Olmstead, the gas station owner and attendant, to testify about the man who had purchased a five-gallon jug of gasoline. Nevertheless, Larry Demmert remained the prosecution's most important witness. Though he had recanted some of his testimony from the 1984 hearing of the Grand Jury, he still claimed he believed he saw Peel with a rifle on the dock and near the *Investor* the night of the murders.

In July 1986, when the time came for Weidner to launch the defense of his client, he called Loftus to testify about the malleability of memory and eyewitness testimony. When Loftus testified at the *Alaska vs. Peel* trial in Ketchikan, eyewitness testimony and memory research was a new academic specialty. Loftus would go on to redefine the field of study, testifying at numerous high profile trials, and conducting research that highlighted the delicate nature of

---

<sup>258</sup> Loftus and Ketcham, *Witness for the Defense*, 15-16.

memory.

### ***The Expert Witness***

In her long career as a scholar of “false memory” one of the most haunting cases Elizabeth Loftus ever encountered was the story of how eyewitness misidentification and faulty memory caused a 31-year-old Seattle man to be wrongly convicted of rape in 1981. Steve Titus had the misfortune of owning a vehicle that resembled one driven by a man who had recently sexually assaulted a female hitchhiker. Police included Titus’ picture in a photo line-up and the woman identified Titus as her attacker. “She said, ‘that one’s the closest,’” Loftus explained. When the case went to court, the woman became even more certain of her memory, telling the jury that she was “absolutely positive” that Titus was the man who had assaulted her and he was convicted and sent to prison. A journalist who believed Titus’ story eventually located the real rapist — a man suspected of committing 50 other rapes in the area. In time Titus was freed from prison, but the experience so shattered him that, at age 35, he died of a stress-related heart attack.<sup>259</sup>

The woman had not intentionally misidentified Titus as her attacker, said Loftus, but both she and the jury had been misled by the idea that memories are permanently implanted on the brain. “Memory, like liberty, is a fragile thing,” Loftus said, and it is a shape shifter. “Memory works a little bit more like a Wikipedia page: You can go in there and change it, but so can other people.”<sup>260</sup>

Loftus was once described as a researcher who “studies false memories, when people either remember things that did not happen or remember them differently from the way they really were.”<sup>261</sup> Her work inspires both admiration and hatred, because of her position at the “highly charged center” of a “war over memory,” wrote Jill Neimark in a profile of Loftus in a

---

<sup>259</sup> Elizabeth Loftus, 2013 TedGlobal, June 2013, [http://www.ted.com/talks/elizabeth\\_loftus\\_the\\_fiction\\_of\\_memory](http://www.ted.com/talks/elizabeth_loftus_the_fiction_of_memory), accessed May 26, 2014.

<sup>260</sup> Ibid.

<sup>261</sup> Ibid.

1996 edition of *Psychology Today*.<sup>262</sup> “She has been called a whore by a prosecutor in a courthouse hallway, assaulted by a passenger on an airplane shouting, ‘You’re that woman!’” Neimark said. In her book, *Witness for the Defense* published in 1991, Loftus recalled testifying in 1984 as a defense witness for Willie Mak, who massacred 13 people in Seattle. The prosecution called the one person who had survived the shooting as an eyewitness to identify Mak. Loftus recalled how the survivor’s relative “told a newspaper reporter that he wanted to spit in my face after I discussed in court the impact of the extraordinary trauma of the killings on [the survivor]’s memory.”<sup>263</sup> Loftus has also testified as a defense witness for other guilty killers, the most notorious being serial killer Ted Bundy and Angelo Buono, who, along with his cousin Kenneth Bianchi, were popularly known as the Hillside Stranglers.

Loftus’ research on memory has been polarizing among researchers who study memory. Loftus explained this is because “my opponents argue that my research is unproven in real-life situations and that my testimony is therefore premature and highly prejudicial.”<sup>264</sup> Loftus’ detractors have been troubled by her criticism of what is commonly referred to as the “recovered-memory movement.” During the 1980s, a rash of child abuse cases were brought to courtrooms across the country, often involving day-care workers and all “based on testimony of children who often at first did not ‘remember’ abuse, but when coached and asked suggestive questions, began to unravel a tapestry of magnificently horrific memories,” Neimark wrote.<sup>265</sup> Subsequently, hundreds of adults claimed having recovered memories of abuse during childhood and sensational court cases followed. Loftus’s research questioned the validity of some of these long-buried traumatic memories.<sup>266</sup>

When faced with criticism from her detractors, Loftus recalled the numerous cases she has worked on wherein the accused was actually innocent — and remembered the words of

---

<sup>262</sup> Jill Neimark, “The diva of disclosure, memory researcher Elizabeth Loftus. *Psychology Today*. Vol. 29; No 1; 48.

<sup>263</sup> Loftus and Ketchum, *Witness for the Defense*, 8.

<sup>264</sup> *Ibid.*, 9.

<sup>265</sup> Neimark, “The diva of disclosure, memory researcher Elizabeth Loftus.”

<sup>266</sup> *Ibid.*

Francis Bacon in the sixteenth century: “For when once the court goes on the side of injustice, the law becomes a public robber and one man really a wolf to another.”<sup>267</sup>

***“He’s the one!”***

Between Peel’s arrest in 1983 and his murder trial three later in Ketchikan, even the prosecution seemed to lose confidence in the memories of their eyewitnesses. Perhaps they were responding to the passage of time and the decreasing certainty expressed by witnesses themselves. In September 1984, Sgt. Stogsdill had told a grand jury that the eyewitnesses “say exactly the same thing” and that Peel “matches the descriptions, right to the pound.” The certainty of 1984 dissipated by 1986, when Henry conceded to the Ketchikan jury that there would be differences in eyewitness memories, “but that’s only human nature.” She said, “we know that they’re all describing the same person... their descriptions all boiled down to some common denominators.... These descriptions did not eliminate John Peel.”<sup>268</sup>

Weidner did his best he could to discredit these eyewitnesses. He employed several tactics. First, he introduced an additional witness, Joseph Weymiller, who said he also saw the skiff driver, but he described the man as “a stocky Native.” Detectives dispatched to Craig immediately after the fire in September 1982 interviewed dozens of people in town, but it would have been impossible to talk to everyone who had possibly encountered the skiff driver. The defense team found Weymiller during their investigation following Peel’s arrest. Though not shaped by police interviews, Weymiller’s memory still would have been affected by the passage of time.

The passage of time weakened prosecutions’ witnesses as well. Paul Page testified in early April 1986, providing a physical description of the man in the skiff that resembled Peel. However, when Weidner pressed Page in front of the jury to identify Peel as the man he saw driving the skiff, Page hesitated. He paused and stared at Peel for several seconds and said,

---

267 Francis Bacon quoted in Loftus and Ketchum, *Witness for the Defense*, 9.

268 Henry, 1986 Ketchikan trial transcript, opening statement.

“there is a resemblance, yes.”<sup>269</sup> However, he said he was not certain that Peel was the same person.

Sue Domenowske, Page’s girlfriend, also doubted whether Peel’s physique and face matched that of the man she saw driving the skiff three and a half years before. When police had Domenowske the photo line-ups, she had indicated Peel looked similar to the skiff driver, but she also pointed out a photo of Chris Heyman as a possible match. Heyman was one of the *Investor* victims. Domenowske’s recollection had changed after she saw Peel’s high school photo printed in the *Bellingham Herald* the day of his arrest. At that time, she was certain that Peel and the skiff operator were the same man. Weidner’s co-counsel, Brant McGee cross-examined Domenowske and she came close to tears on the stand as defense attorneys presented inconsistencies in her statements to law enforcement over the years.

For example, in one statement to police, she said the man she saw had a “pushed back chin.” During the trial, McGee asked Peel to stand in court and turn his profile to jurors to allow them to see his profile. “Mr. Peel’s chin could in no way be described as pushed back, could it?” he asked. Domenowske’s statements also contained varying descriptions of the suspect’s hair, coat, and hat color. Domenowske remained silent. “You’re troubled by the fact that the person you saw on the cold storage float is not the man sitting over there, aren’t you?” McGee continued to press. When asked to look at Peel and identify if he was familiar to her, Domenowske told the jury that John Peel bore “a lot of similarities” to the person she saw driving the skiff that day in Craig, but that she could not make a positive identification.

Weidner also highlighted the failure of the prosecution’s witnesses, Anderson and Kittleson, to identify Peel as the man they had seen driving the skiff at the Hill Bar the day after the fire. And, in one of the most dramatic moments in the courtroom, he revealed the gas station owner Jim Robinson’s identity as an escaped arsonist from Arizona. In one of Weidner’s most important maneuvers, he called eyewitness testimony and memory expert, Elizabeth Loftus, to the stand.

---

<sup>269</sup> Associated Press, “Witness claims resemblance between Peel, man on dock,” *Spokane Journal*, April 3, 1986.



Loftus objected to the photo line-up method police had used when they interviewed witnesses after Peel had become a suspect in the fall of 1983. She described the photo array as “suggestive” explaining that the malleable nature of memory processes could result in Peel being wrongly identified as the skiff driver because of the suggestive use of Peel’s photos and the fact that more than a fourth of the photos depicted Peel. After analyzing the police methods used in this investigation, Loftus concluded that the police’s photo lineups had been extremely problematic. “If I were lecturing to a group of officers who use photographic lineups,” she told the *Alaska vs. Peel* jury, “I would use this as an example of how not to do a photo identification.”<sup>270</sup>

In *Witness for the Defense*, Loftus briefly recalled the eyewitness testimony against Peel in a discussion about the police’s use of “grossly suggestive” pictures in photo line-ups that bias the witnesses against a particular suspect. In an ideal lineup, for example, if a suspect is a large, bearded man, “the lineup should not include children, women in wheelchairs, or blind men with canes,” she wrote. “Unless people resembling the suspect are included in the lineup, the suspect may be picked out by default, not by true recognition.”<sup>271</sup> In the case of *Alaska vs. Peel*, Loftus recalled that several eyewitnesses had provided a physical description of the man driving the skiff away from the burning *Investor*. All witnesses had included the specific detail that the man they saw had been wearing a baseball cap. “In the photo lineup,” she recalled, “the suspect was the only person wearing a baseball cap.”<sup>272</sup>

While jurors and the general public assume eyewitness testimony is credible, eyewitnesses often have a perception problem, Loftus explained. Stress levels influence their understanding of an event – and memory of it. It is a psychological axiom of a perception problem, she explained. While a mild level of stress can promote heightened levels of focus, high anxiety situations usually result in a decrease in people’s ability to recall events accurately.

As an example, Loftus described how during the Civil War battle of Gettysburg, at one

---

<sup>270</sup> Gregg Poppen, “Expert says ID technique unfair,” *Ketchikan Daily News*, July 9, 1986.

<sup>271</sup> Loftus and Ketcham, *Witness for the Defense*, 24.

<sup>272</sup> Ibid.

point soldiers loaded more than 200 muzzle-loading rifles five or more times (one was loaded 21 times) without firing them. The soldiers were either so excited that they thought their guns had been discharged, or so nervous they forgot they were loaded.<sup>273</sup>

The people who saw the skiff driver may have been distracted enough that their recall may be questionable. First, they were responding to a burning boat, which was a possible life-threatening situation if people who needed help on board. Their focus was on the fire, not the person driving away from the boat. Secondly, when they learned that the skiff driver may have been responsible for a mass killing, the powerfully emotive instinct of fear may have further clouded their ability to recall.

Passage of time especially is dismantling of truth. Loftus explained, “people are particularly prone to having their memories modified when the passage of time allows the original memory to fade.” With the passage of every day after an event, “the injection of misinformation becomes relatively easy. In its weakened condition, memory, like the disease-ridden body, becomes especially vulnerable to repeated assaults on its very essence.”<sup>274</sup>

The individuals who saw the skiff driver of course had paid little attention to him at the time. They would not learn until later that he had been someone worth remembering. When people first learned of the fire, most assumed they were witnessing a tragic accident. Primarily they were concerned with what was happening on the boat (especially the safety of the crew), not keeping an eye out for suspicious activity or people. Thus, their memories of the mysterious skiff driver were hazy at best, imaginary at worst. French philosopher Paul Ricoeur attributed this fallibility of memory to creativity: “Memory, reduced to recall, thus operates in the wake of the imagination.”<sup>275</sup>

---

<sup>273</sup> Ibid., 33.

<sup>274</sup> Elizabeth Loftus, *When a Lie Becomes Memory's Truth: Memory Distortion after Exposure to Misinformation* Author(s): Elizabeth F. Loftus Source: *Current Directions in Psychological Science*, Vol. 1, No. 4 (August, 1992), pp. 121-123 Published by: Blackwell Publishing on behalf of Association for Psychological Science Stable URL: <http://www.jstor.org/stable/20182152>

<sup>275</sup> Ricoeur, *Memory, history, forgetting*, translated by Kathleen Blamey and David Pellauer (Chicago: The University of Chicago Press, 2006), Kindle edition DOI 111.

After the court declared a mistrial in 1986, Peel and his defense team did not have long to celebrate. By the end of the year, Henry announced a plan to retry the case. Despite all the problems in the case, state prosecutors believed that Peel was guilty and they refused to let him get away with murder, eight murders to be precise.

Before he approved Henry's plan to retry Peel, Alaska Attorney General Harold Brown did a little investigating of his own. He said that besides consulting jurors and lawyers on both sides, he dispatched the state director of criminal prosecution, Herbert Soll, to spend time with Demmert and to assess his credibility, knowing that he remained the key to the entire case. Stoll concluded that Demmert was not the problem. "I came up with the opinion that he was a trustworthy person," Stoll wrote. "If the investigation had been done properly, we would have won the case."<sup>276</sup>

Prosecutors knew they had a credibility problem with witness memory however, particularly with the key testimony of Larry Demmert. Henry acknowledged Demmert's variable statements over the years, but maintained that Demmert's memory was too detailed and convincing to have simply been made up. As a preemptive strike against the defense, in January 1988, Henry asked Judge Carpeneti not to permit experts such as Loftus to testify on the grounds that "there has never been any need for the courts to rely on 'expert' opinions or 'scientific' studies to understand that there are limitations to certain types of testimony."<sup>277</sup> Henry wanted Peel on trial, not memory. She did not want a replay of the disparagement of memory that had taken place in the first trial. In other words, let the jury decide about the merits of memory. Carpeneti denied the request, but that would hardly be the prosecution's main problem.

Prosecutors struggled to uphold the credibility of most of the witnesses who had testified

---

<sup>276</sup> Carbonara, "A Burnt-Out Case," 274.

<sup>277</sup> Mary Anne Henry, 1988 Juneau trial proceedings, "Memorandum in Support of Motion to Preclude Alleged Scientific Testimony on Memory, on Eyewitness Identification on witness credibility, and on Police Investigative Techniques State Pleading No. 559," April 8, 1988, *Alaska v. Peel*, No. 1JU-S87-975CR, (Juneau: Alaska State Archives, 1988), 1-2.

in the first trial. Charlie Clark, one of the witnesses who had seen the skiff, but who had initially told Capt. Kolivosky that the skiff driver he saw was not John Peel (because he knew John Peel), is an example of a witness who testified during the first trial, but not the second. During the first trial, Clark had denied that he had ever known John Peel and therefore, could not have possibly said the skiff driver was not Peel. Clark was expected to testify in a similar vein during the second trial in Juneau.

However, just prior to the second trial, Peel's defense team interviewed Clark and asked him to clarify his memory. Clark restated that he did not know the man who was on the trial for the murder of the eight members of the *Investor* crew. However, he also said he believed the man accused of the murders was an *Investor* deckhand and since he did not know any of the deckhands on that boat, he assumed he would not have known the person on trial. He did, however, remember the crew of the *Libby 8*.

"Women. Women. That's a big thing in Craig, women," he said, remembering the crew of the boat John Peel worked on that summer. "The *Libby 8* seemed to have all the women. And they seemed to party a lot. Have barbecues and stuff. [The skipper of the *Libby 8*, Larry Demmert] was a white-looking Eskimo. Indian. He had a real fine girlfriend. That's about all I can tell you. I know he was ... his dad was a big wheeler dealer."<sup>278</sup> If the skiff operator had been a *Libby 8* crewmember, Clark would have known this: "I feel pretty assured that I would have recognized them as being a person off the *Libby 8*. Just from being around the docks a lot, being around the cannery."<sup>279</sup> He admitted that his memory of the entire incident had faded to the point where he mostly just remembered that he had spoken to police about the person he saw, but he no longer had a memory of the person himself. "I couldn't tell you what color the hat was or the shirt, I just don't remember," Clark said. "I remember telling [the police what I said] in that report, but I can't remember the details. I remember that that's words that I have said, but I

---

<sup>278</sup> Charles Clark, interview by John Straley and Phil Weidner, February 3, 1988, taped interview (John Straley unpublished files).

<sup>279</sup> Ibid.

couldn't say that today other than saying, 'yeah, that's what I thought.' I didn't think I'd have to remember six years later, you know?"<sup>280</sup>

In her opening statement at Peel's first trial in Ketchikan, Henry had to explain to jurors why Holmstrom had changed her testimony from her grand jury statements — and somehow no longer had any recollection of what she and Peel had discussed that morning at Ruth Ann's. Henry said that after her grand jury experience, Holmstrom had returned to Bellingham "and started drinking." It was then that "she realized she had testified against a friend, realized she had revealed a secret, so she had to come up with a story somehow to blame somebody else besides herself for what she revealed." Henry warned the jury that Holmstrom would take the stand and "whine about what happened in the district attorney's office." But she would not be telling the truth.

Polinkus' testimony was similarly problematic. He also recanted portions of his 1984 testimony before the grand jury, saying he was not sure when exactly the conversations he had mentioned actually occurred. Polinkus had told Stogsdill that the night of the murders, Peel was not on board the *Libby 8*, but had spent the night with a woman in Craig. It had been one year from the time of the murders when he was interviewed. His memory about certain details was fuzzy. He said pressure from investigators made him feel as though he had to be absolutely certain about his memory of events, but that he was frightened by police who went so far as to threaten to arrest him for committing the murders himself if he did not tell what he knew about Peel. They even read him his Miranda rights at one point, he said.

During both the first trial in Ketchikan in 1986 and the second trial in Juneau in 1988, Polinkus talked openly about being intimidated by police. During the trial, Bob Blasco, assistant District Attorney, asked Polinkus to describe his treatment by police during the investigation. Polinkus described in detail just how Blasco had threatened him. "I was in your office. You were quite upset," he said. "Foul language was used. I think it was because my answers weren't the way I was expected to answer them... You said if I wasn't straight with you and I didn't cut

---

<sup>280</sup> Ibid.

the bullshit, you would sent me into the grand jury room alone and you would let them rip me apart.”<sup>281</sup> Blasco denied intimidating witnesses and then tried to discredit Polinkus by implying that he smelled of alcohol on the stand during the second trial in Juneau.

Years later, Polinkus remembered this and said the only reason why Blasco brought up his drinking was because Blasco had seen him the night before at a local Ketchikan bar. He had been drinking, he said, but so was Blasco.<sup>282</sup> Journalist Peter Carbonara, who witnessed the exchange, said that the strategy worked against the state. After the trial, Carbonara said juror Barbara Costello told him that Blasco’s treatment of Polinkus on the stand had convinced her that Polinkus was telling the truth about being intimidated. “We sat there and saw him do it right in court.”<sup>283</sup> Carbonara observed how little jurors liked Blasco, whose “endless objections... came to be met by audible groans from the jury,” he said. “One alternate took to whispering, ‘Oh noooo, Mr. Bob!’ when Blasco rose to speak, in emulation of the hapless clay puppet on *Saturday Night Live*.”<sup>284</sup>

By the time the second trial started, however, investigators thought they had found a witness who would testify that Peel had confessed to the murders. Charles Samuelson, a fisherman for whom Peel had worked in 1983, said Peel confessed to him and his brother while they were fishing in Kodiak that summer. At first he thought Peel was joking and his father urged him not to get involved. Thus, Samuelson did not come forward with his story until after the first trial had ended.

In exchange for testifying, the state agreed to drop three misdemeanor charges pending against Samuelson, including an assault charge stemming from a bar fight in Palmer.<sup>285</sup> When

---

<sup>281</sup> Carbonara, “A Burnt-Out Case,” 279.

<sup>282</sup> Polinkus, interview with author in Fairbanks, AK, April 2014.

<sup>283</sup> Carbonara, “A Burnt-Out Case,” 279.

<sup>284</sup> Ibid., 278.

<sup>285</sup> *Associated Press*, “New Witness to Testify in Alaska’s Costliest Case,” *New York Times*, January 19, 1988, accessed August 9, 2014, <http://www.nytimes.com/1099/01/19/us/new-witness-to-testify-in-alaska-s-costliest-case.html>.

Weidner revealed this immunity deal to the jury, it helped to discredit Samuelson's testimony.<sup>286</sup> The greatest problem with the case against Peel remained Larry Demmert.

When Demmert took the stand on March 17, 1988, the now 28-year-old fisherman told a story that was mostly similar to the one he had told the second grand jury in 1985. He continued to say that he had returned to the *Libby 8* sometime between 10 and 11 p.m. the night of the murders and noticed people partying on the three boats, *Investor*, *Decade*, and *Defiant*. He noticed someone who at least looked a lot like Peel crossing the boats. Demmert climbed on board the *Libby 8*, headed for bed believing he was alone on board. He glanced over at the boats tied in front of the *Libby 8* and noticed the *Investor's* galley door open and saw several people standing inside, but it was also quite smoky and could not recognize anyone.

Demmert recalled the memory of being awakened in the middle of the night by a woman screaming and the sound of popping noises. He remembered looking out the window to see Peel carrying what resembled a rifle, though he could not be certain whether it was a rifle or something with a similar shape. He felt afraid and hid, falling back asleep. The following morning, he peered out the window in his stateroom and observed the *Investor* drifting away from the dock. He told the jury that he saw a shadowy figure in the wheelhouse, but was not able to see who the person was. During the first grand jury in 1984, Demmert had told jurors that he had seen Peel on the dock with a rifle and that it was Peel in the *Investor's* wheelhouse that morning. Now, the only part of his story that remained the same was that Peel was the man he saw standing on the dock – and that he was clutching a long object.

Finally, Demmert told the jury that on the day of the fire, he had asked Peel if he wanted to come for a boat ride on *Cindy Sue* to the burning boat and possibly provide assistance. Peel told him he did not want to go, but the precise phrasing of his refusal now escaped Demmert's memory. Demmert recalled that Peel had either said, "I don't want to see *them* burn," or, "I don't want to see *it* burn." If he had used the word "them," it meant he knew people were on board — information only the killer would know. The word choice was critical for the prosecu-

---

<sup>286</sup> Carbonara, "A Burnt-Out Case," 279.



tion's case against Peel, but Demmert could no longer remember the conversation. Demmert's testimony should have been the lethal blow that shredded Peel's assertion of innocence. What could possibly be more persuasive than a man telling a jury that he definitely saw his childhood playmate and employee at the crime scene with a murder weapon? Yet, the jury didn't believe him.

One reason for their skepticism was that Demmert appeared to jurors to have been coached in both trials. Prior to Peel's first trial, Demmert spent an estimated 20 to 40 hours over the course of a few weeks with lawyers from the prosecution's team. One juror in the first trial was so outraged by this knowledge that before the second trial he penned a letter urging Judge Carpeneti to throw out the case. On July 30, 1987, Bernie Beshers wrote:

After sitting thru (sic) six months of 'NON-EVIDENCE' by the prosecution and watching evidence come into the court showing up to 42 hours of coached testimony (sic) and deliberate pressure (sic) brought on witnesses to change testimony (sic) or swear to things of which they had no independent recollection ... is a little more than I can take without making as strong a statement as I can.<sup>287</sup>

Beshers had been so frustrated by the prosecution's tactics that he assisted Peel's defense team during the second trial in Juneau.

In his own words at trial, Demmert said that during the lengthy sessions with the prosecution team, he had been "practicing" how he would respond to questions on the witness stand both under direct and cross-examination. The practice sessions were designed to ease Demmert's anxiety over testifying against his friend, a stress that he had previously managed poorly by self-medicating with Valium, which had resulted in a stay at a drug rehabilitation center.

In all, Demmert had been interviewed at least a half dozen times by investigators after the murders in September 1982 and before his first appearance at the grand jury in September 1984 — a two-year span of time. He then underwent hours of practice sessions with prosecution

---

<sup>287</sup> Bernie Beshers letter to the Judge Walter Carpeneti, July 30, 1987, *Alaska vs. Peel*, No. 1JU-S87-975CR (Juneau: Alaska State Archives, 1988).

team lawyers (not an uncommon tactic in criminal trials with terrified witnesses and went on to testify to juries four times), each time answering similar probing questions about the minutiae of his memory of that horrific night. In a courtroom, any good prosecutor knows that missing or contradictory details in witnesses' statements are ripe opportunities for defense attorneys to introduce notions of reasonable doubt, the ticket to freedom. The prosecution team correctly anticipated that during cross-examination, Weidner would question Demmert about the numerous inconsistencies in his statements over the previous five years — and they needed Demmert to get his story straight. No amount of practice, however, could erase the damage Demmert had already inflicted upon his own reputation as a credible witness.

When Weidner cross-examined Demmert on the witness stand, Demmert's story crumbled. Weidner vacillated between painting Demmert as a liar or as a victim entangled in the web of his own false memories. During a closed hearing before Judge Schulz, Weidner gave Demmert a partial free pass. "Mr. Demmert, in his own actually pathetic way, may feel that he's speaking the truth when he comes before a jury," he said. "Because how can he admit to himself that he lied or told a story to get out of trouble and put someone like John Kenneth Peel, an innocent man, into such turmoil and torment."<sup>288</sup> Weidner questioned why Demmert had delayed so long in telling police what he had seen the night of the murders, referring to him as "Last Minute Larry." Furthermore, Demmert's drug addicted past made him a poor witness, Weidner said, but he also had a type of "people pleaser" personality that left his memories vulnerable to manipulation, especially when under pressure.

After hearing Demmert's multi-day testimony, one juror scribbled in a court-supplied notebook:

I have heard him implicate John Peel under direct but under redirect his memory of all events was very vague couldn't remember what he had seen, who he had seen, where, when. But under redirect his memory has been miraculous, he seems to remember every thing.

---

<sup>288</sup> Ibid.

Demmert became the state's tarnished star witness, with stories in every newspaper in the northwest chronicling his addiction to drugs and the twisted nature of his memories, frustratingly contradictory and incomplete.

In an interview decades later, Schulz compared Demmert's testimony to the famous glove incident in the murder trial of famed football celebrity O.J. Simpson, who was accused of murdering his ex-wife, Nicole Brown and her friend, Ronald Goldman in 1994. Police believed that a dark leather glove containing DNA evidence that matched the victims and found at the crime scene belonged to Simpson. This evidence was the lynchpin in their case against Simpson, tying him to the murder scene. During the trial, however, in a theatric display shown over television news broadcasts, Simpson donned the glove only to show that it was too tight. "If it doesn't fit, you must acquit," famously quipped Simpson's defense attorney Johnnie Cochran, which is exactly what the jury did.

Similarly, in the *Alaska v. Peel* trial a decade earlier, prosecutors' presented Demmert's memory of seeing Peel on the dock with a rifle the night of the murders as an ironclad piece of evidence that put Peel at the scene of the crime. When Demmert took the stand, however, and the holes in his memory were revealed by a skilled defense attorney, the state no longer had its lynchpin, and the case against Peel unraveled. In both the Peel and the Simpson cases, the prosecutors overestimated the robustness of critical evidence —and as a result men they sincerely believed to have been brutal murderers walked free.

In a 2011 interview, Demmert said he eventually quit the drug-fueled life he led during his twenties to become a successful Klawock-based fisherman and a family man. He owned a couple of purse seiners — including the *Voshte Lynn*, named for his daughter. Demmert admitted that during his younger years, he had been an "asshole," but he continued to stand by his belief that Peel was responsible for the murders of the *Investor* crew.

### ***Reaching a Verdict***

On April 23, 1988, the jury returned with the verdict: not guilty. "I believe I can speak for the whole jury," juror Geraldine Alps told the *Anchorage Daily News*. "There was no proof

whatsoever that Mr. Peel committed the crime.... The only thing that John Peel was guilty of was being in Craig the weekend the murders happened.”<sup>289</sup> Peel’s acquittal marked one of the few, possibly the only, times in U.S. history that a jury acquitted an accused mass murderer.

On April 20, 1990, Peel and his family filed a civil suit in federal court against the state of Alaska and the city of Bellingham alleging serious prosecutorial misconduct, including malicious intent.<sup>290</sup> They asked for \$177 million in damages. The suit alleged violation of Peel and his family’s civil rights as well as charging false arrest, malicious prosecution, and defamation. They eventually settled for \$1.2 million in a “compromise settlement,” the details of which were sealed to the public. The defendants denied any wrongdoing.<sup>291</sup> Of the settlement the state of Alaska was responsible for payment of \$900,000 to Peel in 1997. The rest was paid by the City of Bellingham.

The sum of the award was split between Weidner, Peel, and Peel’s family. After his acquittal, Peel returned to Bellingham, Washington with his wife and son and pursued a vocation as a welder. He and his wife had a second child, but Peel struggled to re-enter society, plummeting into drug addiction. In 2004, he entered a treatment facility and got clean. In 2014, he celebrated a decade of sobriety. He maintains close relationships with his two children, family, and a large circle of friends. They all continue to assert his innocence.

It appears that no further serious investigation of the tragedy on the *Investor* has ever occurred. The 1982 *Investor* murders remain unsolved.

---

<sup>289</sup> Sheila Toomey, “Radical Attorney,” *Anchorage Daily News*, May 1, 1988.

<sup>290</sup> *Peel et al vs. State of Alaska et al (A90-186CIV)*. Named in the suit were the state of Alaska, the Alaska Department of Law, the Alaska Department of Public Safety, the state prosecutors involved in the case, a former Attorney General, an Assistant Attorney General, the Alaska State Troopers and the individuals troopers who investigated the case, the City and Police Department of Bellingham, and a Bellingham city police officer who arrested Peel. The following individuals were named: Robert Blasco, Mary Anne Henry, Dean Guaneli, Grace Schaible, David McNeill, James Stogsdill, Roy Holland, John Glass, and Glenn Flothe.

<sup>291</sup> Gregg Erickson, “McConnell offers preposterous judgement & claims figure,” *Alaska Budget Report*, Capital Information Group. Vol. 8, No. 1. January 14, 1998, 10.

## Conclusion

The *Investor* murders continue to loom large in the lives and memories of those who were affected – the families and friends of the victims, residents of the communities of Craig, Blaine, and Bellingham, fishermen of Alaska, and the legal teams on both sides of the *State vs. Peel* trials. One young woman, a relative to a victim, wrote once angrily about the failure of justice to convict a killer in an essay about the event as part of a school admissions assignment, illustrating how trauma's impacts can pass from one generation to the next. Another man, someone who married a sister of one of the victims, has struggled to find a place in his life for the larger than life legacy of a brother-in-law he never personally knew. One woman, interviewed years later about her brother's death, only remembered how, "After they were killed, I remember I didn't smile or laugh for three months."

These individuals gained their knowledge of the murders and the victims from the understanding of those who shared their own knowledge and memories. Their narrative of the murders is emotional, real, and unique, yet it has been shaped entirely by a combination of the collective understanding of the tragedy, the recall of those around them, and their own life experiences. In his book, *The Collective Memory*, philosopher Maurice Halbwachs described the how "group" or "collective" memory interacts with individual memory: "the individual memory, in order to corroborate and make precise and even to cover gaps in its remembrances, relies upon, relocates itself within, momentarily merges with, the collective memory.... Nonetheless, it still goes its own way, gradually assimilating any acquired deposits."<sup>292</sup> Halbwachs believed that memories can be incomplete or fragmented, but can feel complete through a piecemeal understanding of others' experiences – or "collective memory."

As time passes, relatives and friends of those murdered aboard the *Investor* have also aged. People who were young and single when the murders happened are now mature, many with children of their own. It has only been recently that some of these individuals have been

---

<sup>292</sup> Halbwachs. *The Collective Memory*, 50-51.

willing to reflect on the severe emotional impact the traumatic event had on their lives.

In downtown Blaine, a small park is home to a Robert McDermott statue called “The Vigil” depicting two women — one young and one older — and a boy carrying a small dog in a satchel. The older woman is staring off at sea while the younger woman looks as if she is giving a reassuring touch to the young boy asking her a question. The statue depicts members of three generations of a fishing family, symbolic of the past, the present, and the future. In it, there is joy and hope, but also sadness over past losses and a sense of fear over not knowing if loved ones will return home from a dangerous journey. The statue is nostalgic, a reminder to keep loved ones close, either in life or in memory. In this way, memory itself can function like a mirror, reflecting back on us our own fears, joys, and prejudices.

The *Investor* murders resonate with nearly everyone who hears the story of the tragedy. The brutal nature of the crime, the mysterious disappearance of the skiff driver, and the lack of resolution is troubling. Equally as troubling, however, is the fact the state of Alaska considered their evidence against Peel, which was based entirely on inherently fallible eyewitness memories, to be enough to secure a conviction. Judge Tom Schulz, in an interview in 1991, *Seattle Post-Intelligencer*, said that the state may have had a decent case against Peel, but he himself would not have voted for a conviction. “While there is some evidence indicating that he did it, I think there were some doubts based on reasonable common sense. It would have been hard to convict.”<sup>293</sup>

One man interviewed about the *Investor* murders said he believed Peel to be guilty and has even considered revenge. For decades, he has lived in fear of encountering Peel in Bellingham, concerned that he would be unable to control his emotional response. Bellingham is a small community, however, and he did once come across Peel at a mall near town. He said he approached Peel from behind and formed his hand into the shape of a pistol: “Bang bang, now you’re the one who is dead motherfucker,” he said.

“So you believe it was him then?” I asked.

“No, the only reason he is still alive is because I have doubt.”

---

<sup>293</sup> Associated Press, “Fishing Boat Killer Still At Large,” *Seattle Post-Intelligencer*, September 15, 1991, B4.





**Figure 20: This bronze statue, “The Vigil,” was created by Blaine sculptor Bob McDermott as a tribute to fishermen. Photo by Brittany Retherford.**



## Bibliography

- Alaska Department of Law. *An Impact of Construction of the Trans-Alaska Pipeline on the Administration of Criminal Justice in Alaska*. State of Alaska Department of Law Criminal Division. Juneau, AK, 1976.
- Arnold, David. *The Fisherman's Frontier: People and Salmon in Southeast Alaska*. Seattle: University of Washington Press, 2009.
- Bellingham High School. *Shuksan 1972 Yearbook*. Bellingham, WA: Graduating Class of 1972.
- Bernard, Russell H. *Research Methods in Anthropology: Fourth Edition*. Oxford, UK: AltaMira Press, 2006.
- Carbonara, Peter. "State of Alaska v. John Peel: A burnt-out case." In *Trial by Jury*, edited by Steven Brill, 266-281. New York: Simon and Schuster, 1989.
- Craig Overall Economic Development Program (OEDP). Brief History of the Areas's Economy, 1991." Accessed June 14, 2014, <http://www.craigak.co/m/documents/OEDP.pdf>.
- Devenport, Jennifer L., and Brian L. Cutler. "Impact of Defense-Only and Opposing Eyewitness Experts on Juror Judgments." *Law and Human Behavior* vol. 28, No. 5 (October 2004): 569-576.
- Durbin, Kathie. *Tongass: Pulp Politics and the Fight for the Alaska Rain Forest*. Corvallis: Oregon State University Press, 2005.
- Erickson, Gregg. "McConnell offers preposterous judgement & claims figure." *Alaska Budget Report*. Capital Information Group Vol. 8, No. 1. January 14, 1998.
- Federal Bureau of Investigation. *Crime in the United States*. (Uniform Crime Reports online). Baltimore. Available from <http://www.ucrdatatool.gov>.
- Fox, Alan James, Jack Levin, and Kenna Quinet. *The Will to Kill*. Boston. Mass.: Pearson Education Group, Boston, 2005.
- Fraser, Scott. "Why eyewitnesses get it wrong." *TEDxUSC*, May 2012, accessed April 30, 2014, [http://www.ted.com/talks/scott\\_fraser\\_the\\_problem\\_with\\_eyewitness\\_testimony/transcript#t-204877](http://www.ted.com/talks/scott_fraser_the_problem_with_eyewitness_testimony/transcript#t-204877).
- Gilmour, Walter and Leland E. Hale. *Butcher Baker: A True Account of A Serial Murderer*. New York: Penguin Books, 1991.
- Grafton, R. Quentin, and Harry W. Nelson, "The Effects of Buy-Back Programs in the British

Columbia Salmon Fishery,” Australian National University, Economics and Environment Network Working Paper EEN0505, August 2005. Accessed September 23, 2014 at [https://een.anu.edu.au/download\\_files/een0505.pdf](https://een.anu.edu.au/download_files/een0505.pdf).

Halbwachs, Maurice. *The Collective Memory*. New York: Harper & Row, Publishers, Inc., 1980.

Kafka, Franz. *The Trial*. New York: Schocken Books, 1968.

Kurlansky, Mark. *The Last Fish Tale: the fate of the Atlantic and survival in Gloucester, America's oldest fishing port and most original town*. New York: Ballantine Books, 2009.

Langdon, Steven. *Technology, Ecology, and Economy: Fishing Systems in Southeast Alaska*. PhD diss., Stanford University: 1977.

\_\_\_\_\_. “Traditional Knowledge and Harvesting of Salmon by Huna and Hinyaa Tlingit.” Final Report (Project No. 02-104). U.S. Fish and Wildlife Service, Office of Subsistence Management, Fisheries Resource Monitoring Program, Anchorage, AK: 2006.

Langdon, Steve J., and Robert Sanderson. “Customary and Traditional Knowledge of Sockeye Salmon Systems of the K’IIs XAADAS (Hydaburg Haida)” Final Report for FRMP 07-651. U.S. Fish and Wildlife Service, Office of Subsistence Management, Fisheries Resource Monitoring Program, Anchorage, AK: 2009.

Loftus, Elizabeth F. “Ten Years in the Life of an Expert Witness.” *Law and Human Behavior*. Vol. 10, No. 3 (September 1986).

\_\_\_\_\_. “When a Lie Becomes Memory’s Truth: Memory Distortion after Exposure to Misinformation” *Current Directions in Psychological Science*, Vol. 1, No. 4 (August, 1992): 121-123.

Loftus, Elizabeth, and Katherine Ketcham. *Witness for the Defense: The Accused, the Eyewitness and the Expert Who Puts Memory on Trial*. New York: St. Martin’s Griffin: 1992.

McGuire, Michael. *Angels to Ashes*. AuthorHouse: 2010.

Neimark, Jill. “The diva of disclosure, memory researcher Elizabeth Loftus.” *Psychology Today*. Vol. 29, No. 1 (January 1996).

Neruda, Pablo. *The Poetry of Pablo Neruda*. New York: Farrar, Straus and Giroux, 2005.

Newman, Katherine, and Cybelle Fox, David J. Harding, Jal Mehta, and Wendy Roth. *Rampage: The Social Roots of School Shootings*. New York: Perseus Books Group, 2004.

Ricoeur, Paul. *Memory, history, forgetting*. Translated by Kathleen Blamey and David Pellauer. Chicago: The University of Chicago Press, 2006. Kindle edition.

Roth, Randolph. *American Homicide*. Cambridge, Mass.: The Belknap Press of Harvard University Press. Cambridge, 2009.

Shaan Seet Alaska Native Village Corporation website. Accessed November 9, 2013. <http://www.shaanseet.com>.

Straley, John. *Cold Water Burning*. New York: Bantam Books, 2001.

U.S. Supreme Court. Brief for the American Psychological Association as Amicus Curiae, *Barion Perry v. State of New Hampshire*, 10-8974 US (2012).

Victor-Howe, Anne-Marie. "Subsistence Harvests and Trade of Pacific Herring Spawn on Macrocystis Kelp in Hydaburg, Alaska." Technical Paper No. 225. Alaska Department of Fish and Game, Division of Subsistence, Anchorage, AK: February 2008.

Walker, Spike. *Working on the Edge: Surviving In the World's Most Dangerous Profession: King Crab Fishing on Alaska's High Seas*. New York: St. Martin's Griffin 1991.

## Appendix A: Timeline of *Investor* Murders

### *Friday, September 3*

A salmon seine opener for the area including the string of islands west of Craig, originally set to close at 9 p.m., is extended to midnight.

The *Investor*, *Sheila Ryan*, *Decade*, and *Defiant* all fish this opener, working until the early morning hours.

The *Cindy Sue* and *Libby 8* also fish this opener, but skippers Larry Demmert Sr. and Larry Demmert Jr. decide it would be their last of the season.

### *Saturday, September 4*

Seine crews work until the early morning hours, finding anchorages among the islands to catch up on sleep.

Later that afternoon, the *Investor* unloads 66,190 pounds of salmon worth about \$30,000 onto the *Cheyenne*, a tender.

In the evening, after unloading their fish on the *Crain*, the Demmerts motor the *Libby 8* and *Cindy Sue*.

The *Cindy Sue* ties up directly to the dock at North Cove. The *Libby 8* ties up to the *Cindy Sue*. The formation was common in Craig during summer months when fishing boats were too numerous for dock space.

The *Sheila Ryan* finishes unloading their catch around 3 a.m. and anchored in a cove to sleep. When they woke up the next morning, the *Investor* was anchored nearby.

### *Sunday, September 5*

The *Sheila Ryan* arrives in Craig around noon and ties up at the North Cove dock near the *Libby 8* and the *Cindy Sue*.

The *Defiant* arrives soon after, finding an empty space next to the dock between the *Cindy Sue* and the *Sheila Ryan*. When the *Decade* arrives not much later, it rafts up to the *Defiant*. The *Defiant* crew makes homemade ice cream with a hand-crank ice cream maker.

The last to arrive that day, around mid-afternoon, is the *Investor*. The Coulthursts tie up to the *Decade*. Coulthurst gives his crew the night off, telling them to be back by noon the next day.

Demmert Jr. instructs his crew on the *Libby 8* to clean the boat and then leaves for most of the

day, returning around 4 or 5 p.m.

**4-5 p.m.** John Peel and Brian Polinkus are hanging out drinking on the back deck of the *Libby 8* with Dean Moon and Jerome Keown from the *Investor*. The four disappear into the fo’c’sle to get high. Peel sells Moon and Keown \$400 of marijuana.

Keown and Moon talk about how they were fed up with the season and are ready to get back to Washington.

Dawn Holmstrom makes a taco dinner on the *Cindy Sue* for both Demmert crews.

Demmert takes his girlfriend, Janine Kerr, out to dinner in town. He tells his crew to be back at the boat bright and early to finish boat chores.

On their way off the boat, Moon and Keown chat with Holmstrom. Moon and Holmstrom make plans to meet later at the Hill Bar.

**6 p.m.** John Peel says he passes out in his bunk on the *Libby 8*.

**8 p.m.** Holmstrom finishes cleaning up dinner. She believes she is the only one left on board the *Libby 8*.

**Around 8 or 9 p.m.** On their way out to dinner, the Coulthurst family stops on the *Defiant* to chat and eat homemade ice cream. Kimberly and Johnny played a game with a Halloween mask with one of the *Decade* crewmembers.

Coulthurst tells Eric Rosvold that he needed cash to buy dinner. Coulthurst writes him a check for \$100 and Rosvold gives him \$100 cash.

The Coulthursts walk in the rain the mile to Ruth Ann’s, a popular downtown eatery. The family sits at a table near the door and is served by Alice Irons. Along with their dinner, Irons serves Mark Coulthurst a few Budweiser beers and Irene Coulthurst a glass of Chablis rose wine.

Irons observes a man sitting at another table get up and walk over to Mark Coulthurst. The two talked for about ten minutes — possibly arguing — but Irons is too busy bussing tables and serving food to overhear their conversation.

Curry and Rosvold and two other fishermen also go to dinner at Ruth Ann’s, but they had arrived before the Coulthursts. They each order a T-bone steak and a lot of booze.

**Around 9 p.m.** Moon and Keown walk to the Laundromat at the Cold Storage and make a few phone calls each. Keown calls one of his older brothers, Brian Keown, 21. He mentions to his brother that “something was going on,” but didn’t have much time to talk.

**9:21 p.m.** Mike Stewart calls a friend from the pay phone at the Laundromat.

Chris Heyman makes several attempts to make a call, but isn't having luck getting through to whoever it is he was trying to get a hold of.

**10-10:30 p.m.** Holmstrom walks to the Hill Bar. She meets up with a friend who works on the *Glacier Bay* and waited for Moon. Moon never shows up.

**10:30-11 p.m.** The Coulthurst family returns to North Cove after dinner. There is a gathering or small party happening on the *Decade*. Four-year-old Johnny Coulthurst pops his head into the wheelhouse to say "hi" to a *Decade* crewmember.

**Midnight** Rosvold and Curry walk back to North Cove docks and pass out.

### ***Monday, September 6***

**6 a.m.** Three people, Clyde Curry, Dale Rose, and Larry Demmert Jr., report seeing the *Investor* drifting away from the North Cove docks.

Curry wakes on the day bed in the *Decade's* wheelhouse with an awful hangover. He raises his body up on his elbow, slightly resting his head on his hand so he could peak out the window. He sees the *Investor* about ten yards from the *Decade*, drifting away. A man with blondish hair wearing a red-checkered flannel shirt is standing alone on the back deck. Curry's "skipper's mentality" tells him the man is probably Coulthurst — most skippers wouldn't trust anyone else but himself to maneuver his boat alone. Curry falls back to sleep.

*Decade* crewman Dale Rose also wakes up hungover. He walks onto the deck, vomiting over the *Decade's* railing. He glances into the harbor, noticing the *Investor* drifting away. He observes that the deck lights were on, but the cabin is dark. He sees a man is standing in the wheelhouse. The man sees Rose and waves. Rose waves back.

Larry Demmert, Jr. wakes up in his stateroom on the *Libby 8*. He peeks out the porthole window and sees the *Investor* drifting away. He sees was a shadowy figure in the wheelhouse.

**7 a.m.** Peel says he wakes up on the *Libby 8* and goes out to breakfast. He doesn't see anyone else on board.

**7:30 a.m.** Demmert Jr. wakes up and says he believes he is the only person on board the *Libby 8*.

**7:30 a.m.** Pfundt prepares to return to the fishing grounds with the *Sheila Ryan*. On their way out of town they stop at the Cold Storage to restock their refrigeration units with ice. While at the dock, Pfundt glances out into the harbor and sees the *Investor* anchored in an unusual spot in a small passage between Fish Egg Island and an even tinier island to the northeast. He tries to contact Coulthurst by VHF radio, but doesn't receive any answer. The weather starts changing rapidly, the clouds visibly thickening. By the time the *Sheila Ryan* leaves Craig at about 8:30 or 8:45 a.m., a storm had set in, enveloping the *Investor* and shielding it from view.

On their way out of town, the *Decade* crew notices the *Investor* left three its heavy tie lines (needed to tie up again) on their boat. The lines got in the way of chores. Curry tries twice later in the day to contact the *Investor* on VHF but never gets a response.

**8 a.m.** After spending the night in town, Holmstrom returns to the *Libby 8*.

With help from a few *Cindy Sue* crewmembers, she and Demmert Jr. untie the *Libby 8* from the dock and motor first to the fuel dock and then to the cannery. While underway, Brian Polinkus emerges from the crew quarters.

**8:30-9 a.m.** On the way to the cannery dock, around eight-thirty or nine a.m., Demmert and Holmstrom notice the *Investor*'s skiff tied up at the end of the L-shaped dock at the cold storage.

When they are fueling up, Peel comes down to the fuel dock for a little while, but did not come on the boat. Peel did not help with any chores that day.

Since it is raining, the *Libby 8* crew does not end up getting much cleanup work done.

### ***Tuesday, September 7***

**Morning** After a few days of typical gloomy Southeast Alaska weather, the skies clear up over Craig. The *Investor*, still anchored near Fish Egg Island, can be seen from town.

A few people notice the *Investor*'s skiff tied up at the cold storage facility float in the morning, but none of its crew was seen around town.

Demmert's crew is nowhere to be found. He sends his mother, Sharon Demmert, to fetch Jerry Gambell from his grandmother's trailer. Kerr is at school, but she planned help after school. Peel arrives around nine a.m., but only stays around for about fifteen minutes before excusing himself to go make a phone call. The rest of the crew washes down the pilothouse, and cleans the foc'sle and crew quarters.

After being gone for a half hour, Peel has not returned. Demmert tells Polinkus to search for him. Polinkus leaves, but after another twenty minutes goes by and half his crew was missing, Demmert decides to search for them. He finds Polinkus and Peel at the Hill Bar. He is irritated. After being back for about ten or fifteen minutes, Demmert looks around for Peel to give him a task, but he was nowhere to be found.

**Around 4 p.m.** Several people in Craig notice a black plume of smoke rising from a boat in the harbor near Fish Egg Island and alert the U.S. Coast Guard.

Within a half hour, the boat — now known to be the *Investor* — is fully engulfed in flames.

When he sees the plume of smoke, Demmert Sr. is fueling up the *Cindy Sue*. Demmert Sr. motors out to the burning boat, spending about forty-five minutes out there.



Around the same time that the fire was seen in town, Peel meets up with Holmstrom and walks to the bank. Peel makes a phone call at a pay phone. Peel then walks back to the North Cove docks where a group of people gathered on the edge of the dock, trying to figure out the source of the fire. By this time, they all knew that the boat that was on fire was the *Investor*, but they do not know if anyone is on board.

Demmert sees the *Cindy Sue* returning and his dad asks if he wants to go out on the second trip. About ten or twelve people load onto the *Cindy Sue* to check out the fire. Sharon Demmert takes a camera, but forgets film. Demmert runs into Peel and asks him if he wants to join them. Peel says he remembers going with them, but Demmert says he refused to go. Demmert does not remember seeing Peel for the rest of the night.

**5:45 p.m.:** the *Andy Head*, a tug boat, reports to the U.S. Coast Guard that it has arrived at the *Investor* with Trooper Bob Anderson on board. The first bodies are seen.

John Coulthurst, Mark's father, gets home from work and got a call from Barbara Curry about "the problem in Alaska."

**8:30 p.m.:** the fire on the *Investor* is sufficiently suppressed to allow the first responders on board.

### ***Wednesday, September 8***

Demmert Jr. returns the *Libby 8* to the Ward Cove cannery and makes plans to return to Washington on the *Cindy Sue*. Peel tells Demmert that is flying out instead of accompanying the crew on the *Cindy Sue*.

**10 a.m.:** Peel meets Holmstrom at the Hill Bar for beers.

John Peel picks up a check for the season from the Columbia Awards Fishery. His gross earnings are \$5,644 and his net earnings are \$4,615.61 net earnings.

**11 a.m.:** State trooper investigators begin to arrive.

Peel spends most of afternoon at the Hill Bar waiting for his Tyee Airlines flight to depart. is contacted by Alaska State Troopers and is asked for identification.

Olson joins Peel for a drink at the Hill Bar; they are waiting for their flight.

**4 p.m.:** Peel and Olson leave for Ketchikan on Tyee Airlines.

## Appendix B: Timeline of Key Events

### 1982

*February 6:* A Belgian man, L. Eric Mathay, 27, dies in Brussels after eating salmon from a contaminated can. His wife, Michelle, 26, is hospitalized.

*February 17:* Food and Drug Administration (FDA) asks consumers to return to the grocery store cans of salmon possibly containing deadly botulism toxin that killed the Belgium man. All cans from the Nesco Fidalgo plant in Ketchikan are recalled.

*March:* Mark Coulthurst begins fishing for herring in Southeast Alaska.

*April 8:* The FDA expands its recall of Alaskan salmon again to cover eight packing plants and more than 50 million cans. A spokesman for the FDA says that the move makes it the 2nd largest recall in FDA history (beat out by the mushroom recall of the 1970s).

*May:* The *Investor* returns to Washington area for repairs.

*May 20:* The FDA adds another 5.2 million cans of salmon to its recall. The recall now totals more than 60 million cans.

*June 15:* Coulthurst has returned to Alaska and sells 1,109 pounds of dungeness crab to Pelican Cold Storage.

*July 3:* Peel tries to catch a ride to Craig from Ketchikan with Coulthurst on the *Investor*. Coulthurst refuses to take him.

*July 4:* First purse seine opening of the season.

*August:* Two *Investor* deckhands (Leroy Flammang and Roy Tussing) quit. Jerome Keown replaces Tussing.

*September 5:* The *Investor* docks in Craig sometime in the late afternoon.

Later that night or early the following morning, someone comes aboard the F/V *Investor* and kills all eight people on board. Mark Coulthurst, 28; Irene Coulthurst, 28; John Coulthurst, 4; Kimberly Coulthurst, 5; Dean Moon, 19; Jerome Keown, 19; Michael Stewart, 19, and Chris Heyman, 18.

*September 7:* The *Investor* is set on fire and the bodies of the victims are discovered by authorities.

*September 14:* Three composite sketches are prepared from witnesses who saw the skiff operator

leaving the *Investor*.

*September 17:* About thirty fishermen from Whatcom County donate \$1,800 in one day to the investigation of the *Investor* fund. By December, the reward fund grows to about \$15,000.

*September 21:* Troopers conclude the all persons who had been on board the *Investor* were murdered.

*October 8:* Larry Demmert is interviewed for the first time by Bellingham Police Detective David McNeill. He tells McNeil of a person he had seen that was trying to get a ride down to Bellingham or Seattle right after the *Investor* incident.

*November 23:* Jeff Pfundt calls Alaska State Troopers to tell him about the recollection/dream he had in early October about hearing shots the night/morning of the murders.

## 1983

*May 1:* Troopers reveal most promising lead to date — a man in Goshen, Indiana who turned out to be a mentally ill man who went by the name Tyrannausaurus Rex Mullins.

*September:* Troopers conduct a massive ten-day sweep of the Craig area in search of fresh clues. Joe Weiss, a graduate student at Humboldt State University contacts detectives and tells them he saw the skiff operator the day before the fire in Craig.

*October:* Sgt. Jim Stogsdill compiles a photo line-up and photo array that includes pictures of John Peel.

*November-December:* Detectives visit eyewitnesses to show them the new photo line-up and photo array.

## 1984

*February 22:* Stogsdill writes a memo to his boss detailing the progress of the investigation and recommending a “plan of attack.” He stresses the need for additional evidence, probably in the form of a confession from Peel.

*March 25:* After months of conflicting announcements, troopers flatly rule out any crew member as a possible suspect. Detectives bring Peel into the Bellingham Police Department for an interrogation, trying to get him to confess to the *Investor* murders.

*September 8:* Cathi and John Peel celebrate their son’s first birthday.

*September 10:* John Peel is arrested by Bellingham police for the murders of the *Investor* crew. He is booked in Whatcom County Jail and bail set at \$1 million.

*September 14:* Larry Demmert Jr. writes a check for the John Peel defense fund.

*September 15:* Tom Dubbs, John Peel's cell mate comes to law enforcement and gives a statement that Peel had confessed to him. He also describes him as a violent type of individual.

*September 22:* Larry Demmert Jr. testifies in front of a grand jury about seeing Peel on the *Investor* the night of the murders. Peel is indicted on eight counts of murder and one count of arson.

## **1985**

*January 29:* At an omnibus hearing before Judge Schulz, McGee asserts that the jury trial will take about 3 months. Schulz says he thinks that's a bit long.

*February 18:* Weidner interviews Demmert. Demmert tells Weidner he felt pressure during his grand jury testimony and that he is not one hundred percent sure his testimony was correct.

*May:* Peel posts bail. He is not allowed to leave Whatcom County.

*August:* Schulz overturns the first grand jury's indictment.

*October 4:* Grand Jury issues second indictment.

*October 16:* Peel pleads innocent to new charges of arson and eight counts of first-degree murder.

## **1986**

*January 6:* Jury selection proceedings begin in the case of *Alaska v. Peel* in Ketchikan.

*August 28:* Peel's six-month trial declared a mistrial when the jury cannot reach a verdict.

## **1988**

*April 23:* After a four-month trial in Juneau, a jury acquits Peel of all charges.

## **1990**

*April 20:* Peel files suit against Alaska State Troopers investigators and others, including the City of Bellingham. He seeks \$178 million in damages for alleged malicious prosecution, false arrest and conspiracy to violate his civil rights.

## **1997**

The State of Alaska, the City of Bellingham, and John Peel and his family reach a settlement of \$1.2 million.